

AVI

GROWING GREAT BRANDS

2026 INTEGRATED ANNUAL REPORT



CONTENTS

About this report

AVI's Integrated Annual Report covers the economic, environmental and social activities of the Group for the period 1 July 2025 to 30 June 2026 and aims to provide AVI's stakeholders with a transparent, balanced and holistic view of the Group's performance. In addition, where it is informative to add information post 30 June 2026, this has been included and noted.

This report covers the entire Group, comprising Entyce Beverages, Snackworks, I&J and Fashion brands.

In compiling the report, AVI has considered the Companies Act No. 71 of 2008, as amended; the Listings Requirements (as amended with effect from 16 February 2026) of the JSE Limited; the King Report on Corporate Governance for South Africa 2016 ("King IV") and the International Financial Reporting Standards ("IFRS") in respect to the annual financial statements.

Board responsibility

The Board of directors ("the Board") acknowledges its responsibility to ensure the integrity of the Integrated Annual Report. The Board has accordingly applied its mind to the Integrated Annual Report and in their opinion the Integrated Annual Report addresses all material issues, and presents fairly the integrated performance of the organisation and its impacts.

Any questions or comments on the report can be forwarded to info@avi.co.za.



1 OVERVIEW

- 1 Our business
- 1 Operating structure
- 2 Our business highlights
- 4 Objectives and strategies

7 BUSINESS REVIEW

- 7 Chairman and CEO's review
- 11 Operational reviews

12	ENTYCE BEVERAGES
14	SNACKWORKS
16	INTERNATIONAL
18	I&J
22	FASHION BRANDS

- 26 Financial review
- 34 Sustainable development report

94 GOVERNANCE

- 94 Board of directors
- 96 Corporate governance report
- 105 Social and Ethics Committee report
- 107 Remuneration report

135 CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

217 SHAREHOLDER INFORMATION

- 218 Shareholders' diary
- 219 Notice of Annual General Meeting
- 255 Form of proxy

OUR BUSINESS

With a primary listing on the Johannesburg Stock Exchange in the food products sector, and a secondary listing on A2X, AVI Limited's extensive brand portfolio includes more than 50 brands.

AVI's lifeblood is its portfolio of remarkable brands, many of which carry a heritage and pedigree built up over decades and some of which occupy a place in our national character. It would not be a stretch to claim that the vast majority of South Africa's population has at some time or another been conscious of, consumed or aspired to own, one of our brands.

AVI's brands that have grown into great South African favourites include:

- Five Roses, Freshpak, Trinco, House of Coffees, Frisco, Koffiehuis, Ellis Brown, Ciro and Lavazza in the Beverages category;
- Bakers, Baker Street Snacks, Baumann's and Willards in the Biscuits and Snacks category;
- I&J in the Frozen category;
- Yardley, Lenthéric and Exclamation in Personal Care; and
- Spitz, Carvela, Green Cross, GX&Co, Kurt Geiger, Lacoste, Tosoni, Gant and Eden Park in our Footwear and Apparel portfolio.

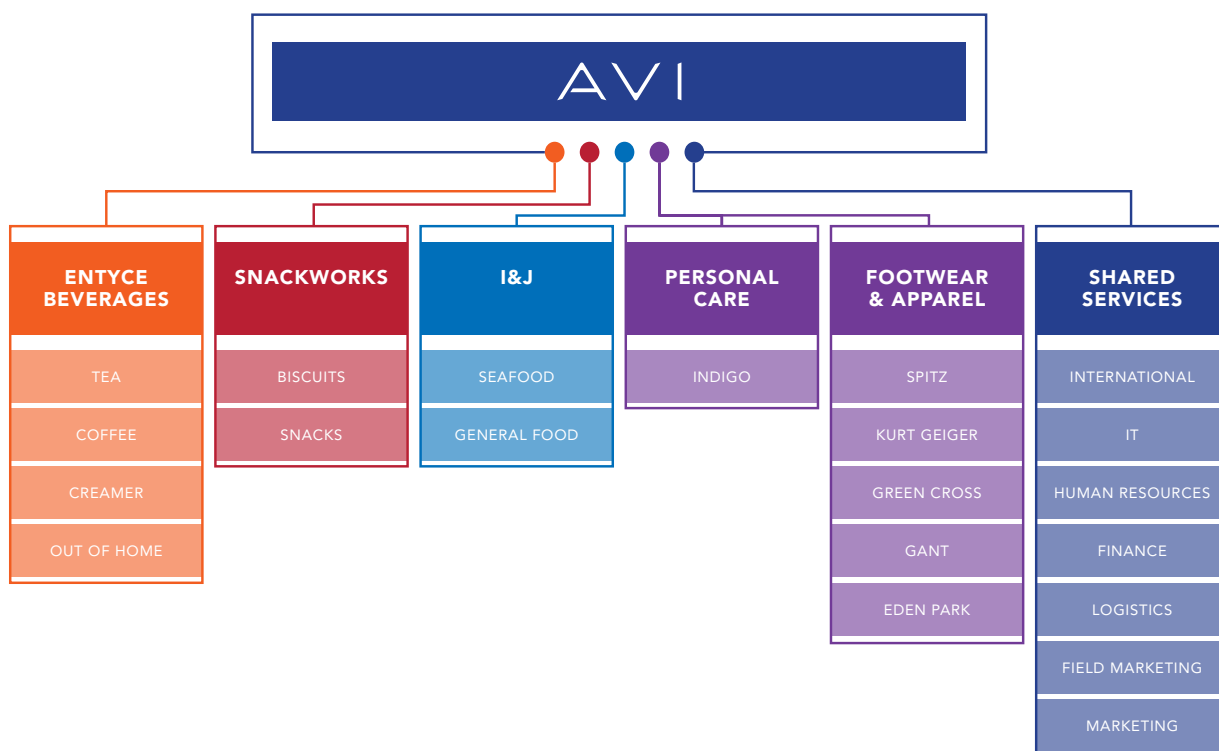
We have 100 branded retail outlets under the Spitz, Kurt Geiger, Gant and Eden Park brands.

This privileged position carries with it an obligation to develop and manage each brand to its fullest potential. We have structured our business to best suit this end. We have four business units taking care of beverages, including out-of-home solutions, sweet and savoury snacks, frozen foods, and fashion brands which are separated into Personal Care brands and Footwear and Apparel.

We also have a well-developed shared services structure spanning: International, Information Technology ("IT"), Finance, Human Resources, Logistics, Marketing and Field Marketing that allows us to take advantage of our scale and deliver more for less.

With a turnover of R16,24 billion in this last financial year, AVI's brands are a household name in South Africa and growing every day.

OPERATING STRUCTURE



OUR BUSINESS HIGHLIGHTS

KEY FEATURES

Resilient performance in a challenging trading environment

Q4 sales materially impacted by the threat of unrest over the 30 June national protest action

Group revenue increased by 1,4%

Group operating profit increased by 4,4%

Group operating profit margin improved to 22,9%

Creamer category competition intensified, preventing a repeat of prior year's exceptional profit

I&J's fishing operating profit improved by 47,5% to R395,6 million

Abalone profit impacted by the R84,0 million non-cash biological asset revaluation

Fashion retail brands like-for-like revenue growth of 8,3% with volume growth in key brands

R110,3 million benefit from ongoing cost management and restructuring initiatives

Headline earnings per share up 5,3% to 767,9 cents

Strong cash generation supported a reduction in net debt

Capital expenditure of R387,2 million to support innovation, capability and product quality

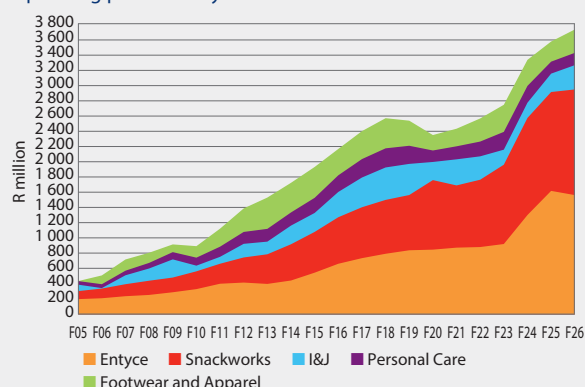
Final dividend of 418 cents per share and total normal dividend up 5,9% to 663 cents per share

Special dividend of 300 cents per share

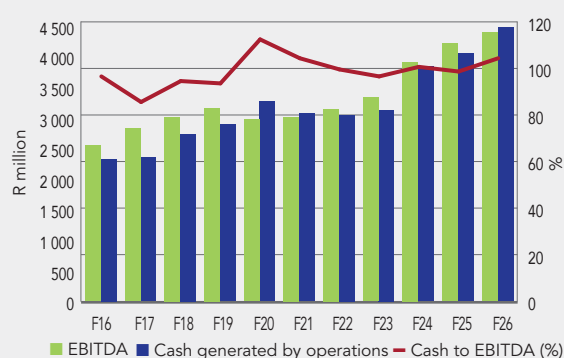
Dividend yield of 9,6% on 30 June 2026 closing share price

Return on capital employed of 35,7% for the 12 months to June 2026

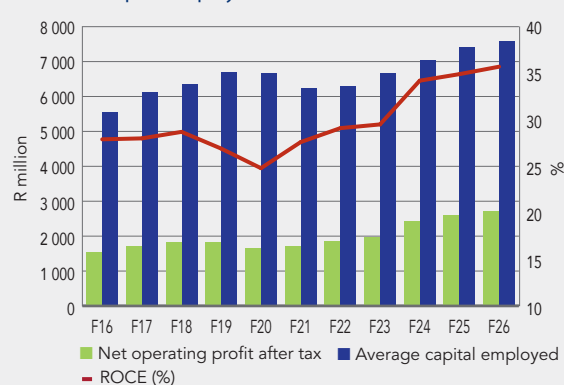
Operating profit history



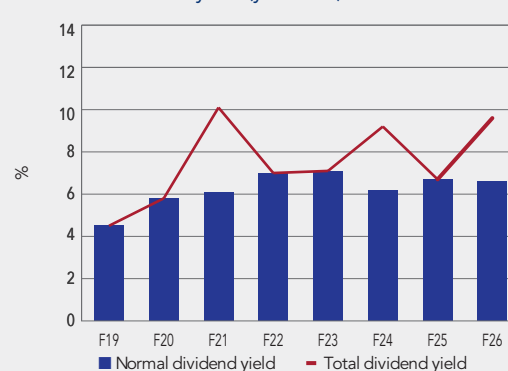
Historical cash conversion



Return on capital employed



Historical dividend yield (year end)



AVI	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm	Change F26 vs F25 %
REVENUE	16 240,3	16 021,5	15 862,3	14 919,6	13 845,3	1,4
OPERATING PROFIT	3 719,9	3 561,9	3 304,6	2 714,8	2 540,1	4,4
OPERATING MARGIN (%)	22,9	22,2	20,8	18,2	18,3	3,2
CAPITAL EXPENDITURE	387,2	601,0	476,5	482,2	240,8	(35,6)

ENTYCE BEVERAGES	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm	Change F26 vs F25 %
REVENUE	5 164,1	5 298,4	5 025,4	4 251,6	3 981,6	(2,5)
OPERATING PROFIT	1 560,9	1 615,9	1 300,1	920,2	880,6	(3,4)
OPERATING MARGIN (%)	30,2	30,5	25,9	21,6	22,1	(1,0)
CAPITAL EXPENDITURE	113,1	113,5	162,9	109,3	50,8	(0,3)



Snackworks That's Good Times!	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm	Change F26 vs F25 %
REVENUE	5 717,0	5 611,8	5 597,9	5 261,2	4 702,4	1,9
OPERATING PROFIT	1 383,0	1 294,4	1 270,9	1 038,4	881,4	6,8
OPERATING MARGIN (%)	24,2	23,1	22,7	19,7	18,7	4,8
CAPITAL EXPENDITURE	155,4	159,0	167,6	135,3	39,2	(2,3)



I&J SINCE 1910	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm	Change F26 vs F25 %
REVENUE	2 829,8	2 567,8	2 459,2	2 486,6	2 473,8	10,2
OPERATING PROFIT	318,0	240,8	199,7	196,8	306,2	32,1
OPERATING MARGIN (%)	11,2	9,4	8,1	7,9	12,4	19,1
CAPITAL EXPENDITURE	70,3	246,0	83,7	139,2	87,8	(71,4)

FASHION BRANDS	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm	Change F26 vs F25 %
REVENUE	2 529,4	2 543,5	2 779,8	2 920,2	2 687,5	(0,6)
OPERATING PROFIT	466,6	420,4	560,8	587,9	495,9	11,0
OPERATING MARGIN (%)	18,4	16,5	20,2	20,1	18,5	11,5
CAPITAL EXPENDITURE	50,5	81,2	61,1	91,8	56,8	(37,8)

YARDLEY LONDON LENTHERIC LONDON - PARIS exclamation SPITZ CARVELA MADE IN ITALY KURT GEIGER LACOSTE FOTOSONI GREEN CROSS GX&C GANT Eden Park PARIS

OBJECTIVES AND STRATEGIES



To be recognised as South Africa's leading consumer brands manager

Brands are AVI's lifeblood and we are endowed with a portfolio of remarkable brands, many of which carry a heritage and pedigree built up over decades and some of which occupy a place in our national character. It would not be a stretch to claim that the vast majority of South Africa's population has at some time or another been conscious of, consumed or aspired to own a product carrying one of our brands. Coupled with this privileged position is an obligation to develop and manage each brand to its fullest potential.

The strength of our brands is a function of the value they deliver to our consumers which is underpinned by their quality, price and inventiveness. We strive to constantly improve this value by making our products more valuable, more accessible and more desirable and we are committed to supporting the long-term competitiveness of our brands with appropriate investments behind marketing, research and new product development. We view our role not merely in terms of enhancing the position of our brands within a category, but of being a material contributor to the development of the categories themselves. It is not our objective to serve all potential customers, but to service those whose needs are aligned with our business objectives better than anyone else by providing them with the most rewarding consumption experience. A happy consumer is the foundation of the growing volumes, market shares, profit margins and brand loyalty, which drive success in the consumer products space.

To consistently outperform our peer group, both operationally and in shareholder returns

AVI's financial success is measured first and foremost by the adequacy of returns generated for our shareholder community. Our twin return objectives reflect our goal of being an attractive investment vehicle over the long-term, both relative to our peer set, and on an absolute basis. Our relative performance target is to earn top quartile total shareholder returns over successive rolling three-year periods, while our absolute performance target is to deliver real combined dividend and share price appreciation annually. The achievement of these targets will depend crucially on AVI's ability to service its customers and communities efficiently and effectively and will reflect the value added by our organisation and be a key underpin of the ongoing sustainability thereof.

To build sustainable and defensible positions in each of our priority markets and categories

We do not view legacy as an inhibitor of opportunity and are committed to operating in any market or category where our brands, products and organisational competencies endow us with a sustainable advantage over our competitors. We believe that long-term continuing success is a function of focus and the discipline required to recognise where we can and cannot compete effectively.

Practically this perspective demands that we regularly reappraise the extent of our current activities and consider exiting areas where growth or profitability are deemed poor in the long run or where the competitive landscape is changing in ways that inhibit our ongoing success. It also materially shapes the development of our organic and acquisitive growth initiatives by ensuring that the imperative for growth are tempered by a true assessment of any new opportunity and our ability to sustain and enhance our competitiveness in the new market or category over the long-term.

To maintain and develop a corporate structure that adds material value to our underlying business portfolio

Our corporate and shared services structures play a meaningful role in defining and enhancing our competitiveness and are capable of supporting heightened long-term earnings growth. While we operate in many distinct categories our corporate ethos and enabling structures embrace a “one company” philosophy. They are an effective mechanism for leveraging the strength of our brands and exploiting the efficiency and productivity improvement, process simplification and cost reduction opportunities inherent in their combined scale. They allow us to serve more consumers in more markets more efficiently and to strengthen our importance to our key national retail partners.

To enhance our absolute and relative competitiveness in each core category every year

The global consumer product environment is a vibrant space and one in which sustaining the saliency of one's brands has become increasingly challenging. Rapid technological development, increased access to information and the relentless pace of innovation globally have all contributed to the most fluid consumer environment in history. Better informed consumers have ever more demanding expectations from their brands and are faced with a wider portfolio of choices when making their consumption decision.

Our response to new opportunities, changing consumer preferences and lifestyles, and competitor activity will need to be quicker and more flexible than ever before in the years to come. Ongoing success in this increasingly “winner-takes-all” environment demands a strong commitment to continuous improvement in all areas of our operations.

To sustain and develop an impeccable corporate reputation with all stakeholders

AVI's ongoing standing as a leading South African corporate requires continued focus on ethical management practices to ensure its sustainability. Beyond integrity and transparency in our dealings with our shareholders, customers, consumers, employees and other stakeholders, this also encompasses a commitment to ensuring that AVI plays its role as a corporate citizen to minimise any adverse environmental impact, and to improve living standards and address the ongoing need for transformation in the society in which we operate.

To attract, develop and retain the best talent in the industry

In the fierce competition for skills and talent AVI actively seeks to recruit, nurture and retain exceptional people recognising that they remain our strongest differentiator in developing our leading brand-centric culture. We believe that our scale and opportunity reinforce our ability to attract and retain the talented individuals necessary to execute our strategies and cement the quality of functional leadership in an environment characterised by increasing skills shortages and intense competition for human capital.

Reinforce business returns with a prudent but nimble corporate capital allocation philosophy

The strength of our brand portfolio has resulted in AVI generating robust cash flows which often exceed the supply of investment opportunities that meet our strategic, risk and return criteria. While we have strong ambitions for organic and value-adding acquisitive growth, this paradigm of cash generation in excess of reinvestment need is likely to persist in future. AVI will seek to supplement underlying shareholder return generation through the prudent use of corporate capital management strategies including share repurchases, leverage and special dividends, where appropriate.



CHAIRMAN AND CEO'S REVIEW

Overview

The past year has seen an operating environment that continues to suffer from considerable economic headwinds. Consumer confidence remains fragile with household budgets being constrained through continued pressure on disposable incomes. Global events have again caused stresses, with the war in Iran in particular, leading to higher energy prices and the concomitant impact on inflation. Furthermore, the high South African unemployment and crime rates, xenophobic inspired political unrest as well as the further deterioration of the country's infrastructure, continue to have a significant impact on economic activity.

Despite these headwinds, our performance has demonstrated the resilience of AVI and the strength of our portfolio of trusted brands. Operating in markets characterised by constrained consumer spending, volatile input costs, infrastructure challenges and an increasingly competitive retail environment, our businesses have remained focused on what we can control: serving consumers well, protecting the long-term health of our brands and margins, improving operational efficiency and allocating capital with discipline.

Our performance reflects the benefit of this approach. While the trading environment remains challenging, AVI continues to generate strong cash flows and attractive returns from a portfolio of leading snack, beverage, fishing and fashion businesses.

Resilience of AVI's portfolio

Our portfolio provides an important degree of diversification across consumer categories and markets. Entyce Beverages and Snackworks continue to benefit from established brands and strong positions in their respective categories. Our brands remain relevant to consumers, supported by continued innovation and investment. However, we are aware of recent trends in consumer behaviour whereby they are more likely to compare prices, change pack sizes, switch between brands and channels and seek out promotions that deliver tangible value. As a consequence of this, a decision has been made to implement a revised operating structure for these two businesses. Dedicated and focused management teams will strengthen our ability to meet these changing consumer needs.

I&J operates in a more volatile environment, with fishing performance, allowable catch levels, fuel costs and exchange rates having a material influence on profitability. The business nevertheless remains attractive with good export-market positions and excellent local demand.

Our fashion businesses have faced particularly challenging trading conditions as the retail environment remains intensely competitive.

We are, however, encouraged by the strengths of the performance of the remaining portfolio after the closure of the Green Cross business. We believe that strong brands are AVI's most important long-term assets.

Financial Review

AVI's results for the year ended 30 June 2026 reflect another resilient performance in what remains a challenging trading environment. The first semester benefitted from selling price increases, volume growth in several categories and sound margin management, supported by cost efficiency initiatives implemented in the prior year. The second semester was more challenging with weaker consumer demand exacerbated by materially higher fuel prices, sustained high interest rates and a generally more competitive environment. The last quarter's sales were substantially impacted by lower demand from distributors and wholesale customers who delayed purchases due to the threat of unrest surrounding the 30 June national protest action. Notwithstanding the challenges, the Group has delivered a sustained profit improvement over several years with a Group operating profit CAGR of 11,1% since F23.

Group revenue grew by 1,4%, with first semester growth partially offset by weaker demand in some categories in the second semester. Entyce revenue declined 2,5%, reflecting the impact of lower sales across all beverage categories off the strong prior year base. Creamer sales volumes were supported by selling price reductions in response to competition. Demand across the remaining categories was subdued, particularly through the second semester, with the impact of lower sales volumes partially offset by selling price increases taken to recover higher commodity input costs. Snackworks revenue increased by 1,9%, supported by a stronger first semester, higher selling prices and benefits from innovation. Revenue growth was strongest in I&J, which benefitted from improved selling prices and incremental capacity from the additional freezer vessel, which supported improved export hake fillet sales volumes. This was partially offset by a decline in abalone sales in key export markets. Indigo's personal care revenue declined by 5,1% largely due to lower demand in the core deodorant body spray category. Innovation generated encouraging sales but not yet sufficient to offset declines across the broader portfolio. Footwear and Apparel brands delivered revenue growth of 2,1%, with improved footwear sales volumes in both the first and second semester. Growth was constrained by widespread discounting by big-box apparel retailers. The improved performance was supported by a stronger December trading period, and the non-repeat of prior year supply chain challenges in some brands.

CHAIRMAN AND CEO'S REVIEW continued

Consolidated gross profit increased by 0,8% with the gross profit margin protected at 42,4%, compared with 42,7% in the prior year. The margin performance improved across most categories, except for Entyce, where competition constrained the exceptional prior year performance in the Creamer category. Selling and administrative expenses were well controlled, declining by 3,2% compared to the prior year, partially due to the ongoing benefits of restructuring initiatives implemented during the prior and current year. Operating profit increased by 4,4% from R3,56 billion to R3,72 billion, with the operating profit margin improving from 22,2% to 22,9%.

Net finance costs were lower than last year, supported by lower interest rates, lower average borrowing levels and strong cash generation. The effective tax rate was largely in line with the prior year. Headline earnings grew by 6,0% and headline earnings per share increased by 5,3% from 729,1 to 767,9 cents per share.

There were no material capital items in the current year. Prior year gains included profits on the disposal of the assets and business conducted by I&J's Umsobomvu joint venture.

Cash generation remained strong, with cash generated by operations before working capital changes increasing by 5,9% to R4,47 billion. The improvement was underpinned by the higher operating profit and increased adjustments for non-cash items, including the fair value adjustment to I&J's abalone stock. Working capital was well managed, increasing by R59,6 million. Capital expenditure of R387,2 million supported continued investment in innovation, improved manufacturing capability, product quality and customer service levels across our production facilities. Other material cash flows included ordinary dividends paid of R2,19 billion, taxation paid of R931,0 million and interest paid of R196,1 million. Net debt, excluding leases, was R1,14 billion at the end of June 2026 compared to R1,71 billion in the prior year.

Dividend

In line with the Group's normal dividend payout ratio the Board has declared a final ordinary dividend of 418 cents per share, resulting in a full year ordinary dividend of 663 cents, which is 5,9% higher than last year, and in line with the growth in headline earnings.

Strong cash generation has supported lower than targeted gearing levels and as a result the Board has also approved a special dividend of 300 cents per share. This results in an effective dividend yield of 9,6% on the 30 June 2026 closing share price of R100,53. Taking into consideration the special dividend, AVI's gearing is expected to increase to the upper range of our normal targeted operating levels in the 2027 year.

Capital Expenditure

Capital expenditure for the year amounted to R387,2 million. Significant items of expenditure included R60,0 million to upgrade and improve our biscuit lines, including supporting innovation, R18,0 million for the upgrade and refurbishment of production lines at our coffee and creamer facility, R45,0 million on vessel upgrades, R19,0 million for upgrading infrastructure and facilities across various manufacturing sites, R22,0 million on opening, relocating and refurbishing retail stores and R29,0 million on the replacement of distribution and field marketing vehicles. In addition, R13,0 million was invested in water back up and treatment, taking our total investment over the years to address failing municipal water and electrical infrastructure to R169,0 million.

We continue to invest selectively in the capabilities that underpin AVI's long-term competitiveness. Capital expenditure is being directed towards manufacturing efficiency, product quality, innovation and the resilience of our operations. South Africa's infrastructure constraints remain a significant challenge. Power and water security require continued investment and careful operational planning. We recognise that these investments can increase near-term costs, but they are essential to protecting the continuity and efficiency of our manufacturing operations.

We will continue to evaluate capital projects against clear financial and strategic criteria, prioritising investments that strengthen our businesses and improve their long-term competitive position. Budgeted capital expenditure for next financial year is R441,0 million and is focused on enhancing our manufacturing capabilities, reducing production costs, improving product quality, supporting improved customer service levels and aiding the delivery of key innovation projects. Expenditure will be curtailed should the risk-adjusted returns not justify the investment.

Corporate Governance

AVI's Board is committed to ensuring that the Group operates in a manner that clearly recognises the nature of the relationships the Company has with different stakeholders, and the need to manage those relationships appropriately, while generating returns in a sustainable manner. Our efforts in this regard are detailed throughout this report, and particularly in the sustainable development section.

The recommendations of the King Report ("King IV") are integrated into our Board and sub-committee charters, where appropriate, as have the applicable provisions of the Companies Act (as amended) and the JSE Listings Requirements (including the provisions as amended in 16 February 2026). The corporate governance section of this report describes our approach to corporate governance and our compliance with the Companies Act, the JSE Listings Requirements, the Company's Memorandum of Incorporation, and the principles of the King IV.

The Company has taken note of the implementation of the King V Report on Corporate Governance for South Africa 2025 ("King V report"), the provisions of which are applicable from the start of the 2027 financial year. Whilst this report remains aligned to the King IV Report on Corporate Governance for South Africa the Company has done a comprehensive review of the King V report and is comfortable that our current policies and practices are materially aligned thereto. It is therefore not anticipated that any material changes will need to be made in reporting under the King V framework in 2027.

Board

We continue to work on Board and executive succession plans and will recruit additional directors where we find individuals with the ability to contribute to the Board's current and future deliberations. As always, our thanks to our colleagues for their support and counsel.

Outlook

We enter the next period with a clear understanding of both the opportunities and challenges facing AVI. Consumer demand is likely to remain under pressure in the near-term, and input costs, infrastructure constraints, exchange rates, local politics and international geopolitical developments will continue to create uncertainty. Growth is likely to remain subdued until there is a meaningful improvement in the economy. In this environment increased competition may affect the Group's ability to protect margins in some categories. The Group's businesses remain focused on growing revenues but will respond to market conditions to achieve the appropriate balance between price, sales volumes and margins across all brands. A revised operating structure for the Entyce and Snackworks businesses was implemented from July 2026, with dedicated management teams which will strengthen our ability to remain competitive in the current environment. Innovation focused on affordability and in formats relevant to our consumers remains a priority. Products launched in the reporting financial year are expected to deliver improved volumes and will be supplemented by several meaningful launches planned across our food and personal care portfolios in the new financial year.

Global geopolitical events continue to shape the outlook for higher interest rates, inflation and fuel prices. The paucity of domestic economic growth and SA's systemic unemployment levels are expected to constrain any improvement in disposable incomes in the coming financial year. Our input cost outlook, net of hedges, over the next financial year is expected to be benign with a large portion of the raw material and foreign exchange requirements for at least the first semester secured at rates that are supportive of sound profitability assuming reasonable sales volumes.

I&J's prospects remain materially dependent on the coming financial year's fishing performance, fuel prices and exchange rates. Demand in export markets remains strong, and any improvement in catch rates, which remain at historical lows, would materially support profit improvement. The trajectory of fuel prices remains uncertain but fuel hedges secured prior to the current volatility will dampen the impact of higher fuel prices for the first semester. The abalone business has been materially affected by category over-supply, weak selling prices, poor demand in key Asian markets and concomitant non-cash fair value adjustments. There are early signs of improving prices and should this be sustained, the abalone performance would exceed the prior year and could potentially return to profitability.

Notwithstanding this, we remain confident in the fundamental quality of AVI. Our portfolio contains established brands with strong consumer recognition, businesses with defensible market positions and opportunities to improve operational performance. We have a very capable management team, a disciplined approach to capital allocation and a clear focus on generating sustainable returns.

We believe AVI is well positioned to benefit from any improvement in the South African consumer environment and broader economic conditions. Our focus therefore remains firmly on the long-term, building great brands, improving businesses and creating sustainable value for all our stakeholders.

Acknowledgements

None of this would be possible without the commitment of our people. We thank our staff for their immense contribution. Despite the very challenging environment in which they operate, our people keep our factories and retail outlets running with remarkable consistency.

With that in mind, we continue to invest in leadership capability, employee development and the systems required to support a high-performing organisation.

The continued support of our suppliers, service providers, retail partners and customers, most of whom face similar challenges, is fundamental to what we are, and our thanks go to all those parties.

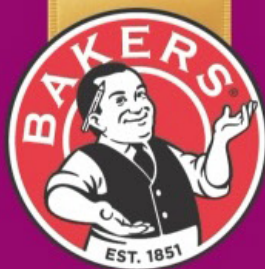
Finally, the ongoing support from our shareholders is acknowledged and appreciated.



MIKE WATTERS
Chairman



SIMON CRUTCHLEY
Chief Executive Officer



Choc

SELECTION



OPERATIONAL REVIEWS

	SEGMENTAL REVENUE			SEGMENTAL OPERATING PROFIT		
	2026 R'm	2025 R'm	% change	2026 R'm	2025 R'm	% change
FOOD & BEVERAGES BRANDS	13 710,9	13 478,0	1,7	3 261,9	3 151,1	3,5
Entyce Beverages	5 164,1	5 298,4	(2,5)	1 560,9	1 615,9	(3,4)
Snackworks	5 717,0	5 611,8	1,9	1 383,0	1 294,4	6,8
I&J	2 829,8	2 567,8	10,2	318,0	240,8	32,1
FASHION BRANDS	2 529,4	2 543,5	(0,6)	466,6	420,4	11,0
Personal Care	877,0	924,3	(5,1)	160,9	156,7	2,7
Footwear & Apparel	1 652,4	1 619,2	2,1	305,7	263,7	15,9
CORPORATE				(8,6)	(9,6)	
GROUP	16 240,3	16 021,5	1,4	3 719,9	3 561,9	4,4

OVERVIEW

BUSINESS REVIEW

GOVERNANCE

ANNUAL FINANCIAL STATEMENTS

SHAREHOLDER INFORMATION



OPERATIONAL REVIEWS continued



Entyce revenue of R5,16 billion declined by 2,5% compared to the prior year reflecting the impact of lower sales volumes partially offset by the benefit of selling price increases. From a segmental perspective, revenue across the Tea, Coffee and Creamer categories declined off a strong prior year base with a partial offset from an improvement in Ciro out-of-home sales. Demand across the categories was subdued, particularly through the second semester, with sales volumes across all categories, except for Creamer, ending lower. This was exacerbated by disruptions in the wholesale and informal channels over the last quarter which resulted in delayed purchases due to the threat of unrest surrounding the 30 June national protest action. Selling price increases were taken across most categories to mitigate the impact of commodity cost increases and protect margins but this was partly offset by increased competition within Creamer which required a targeted reduction in selling prices to support sales volumes. As a result, Creamer sales volumes improved marginally on last year.

Gross profit margins decreased due primarily to competition which limited our ability to sustain the strong prior year base in Creamer with margins across the remaining categories largely sustained. Increased raw material costs, inflationary pressures across the manufacturing cost base and the deleveraging impact of lower volumes adversely impacted margins. These pressures were partially offset by selling price increases and productivity efficiencies within the factories. Selling and administrative costs were tightly controlled and declined compared to last year benefiting from restructuring activities, including the non-recurrence of prior year restructuring implementation costs, and lower distribution costs.

Following a period of strong growth over the last two years with operating profit growing from R920,2 million in F23 to R1,62 billion in F25, operating profit declined by 3,4% in the current year. This was predominantly driven by reduced Creamer category profits with the result across the remaining categories improving. The operating profit margin of 30,2% was well protected and sustained at a healthy level.

Tea

Tea revenue of R2,07 billion decreased by 2,1% compared to last year, driven by lower sales volumes and increased promotional support partially offset by the benefit of selling price increases. Sales volumes declined across both the black tea and rooibos segments with the second semester performance particularly impacted by the weaker wholesale and distributors channel performance, including disruptions in the last quarter which delayed purchasing due to the threatened unrest. Our premium Five Roses offering declined in wholesale and distributor channels, including the impact of these disruptions,

Entyce revenue of

R5,16BN

Operating profit declined by

3,4%

Operating profit margin of

30,2%

Capital expenditure

R113,1M



ENTYCE BEVERAGES	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm	2021 R'm	2020 R'm	2019 R'm	2018 R'm	2017 R'm	Change F26 vs F25 %
REVENUE	5 164,1	5 298,4	5 025,4	4 251,6	3 981,6	3 777,1	3 849,0	3 822,6	3 834,1	3 757,1	(2,5)
OPERATING PROFIT	1 560,9	1 615,9	1 300,1	920,2	880,6	872,8	846,6	838,3	792,6	735,1	(3,4)
OPERATING MARGIN (%)	30,2	30,5	25,9	21,6	22,1	23,1	22,0	21,9	20,7	19,6	(1,0)
CAPITAL EXPENDITURE	113,1	113,5	162,9	109,3	50,8	44,2	92,6	106,7	42,7	127,2	(0,3)



but achieved growth in select key retail channels. Trinco volumes were lower due to heightened competitor activity as well as the disruption in the informal sector from protest action and trader destocking in quarter four. Freshpak declined across all channels with consumer demand negatively impacted by price increases required to ameliorate higher raw material costs as well as increased competitor activity, especially in the second semester.

Gross profit margins improved as selling price increases and factory efficiencies mitigated input cost inflation. Selling and administrative costs were well managed and ended lower than last year with lower distribution costs and support from restructuring initiatives and the non-repeat of restructuring implementation costs incurred last year. Operating profit increased by 4,2%, building on the strong 22,1% growth achieved in the prior year, and the operating profit margin improved with effective management of the gross profit margin and benefits from cost saving initiatives.

Coffee

Coffee revenue decreased by 3,5% compared to last year due to lower volumes across all segments partially offset by the benefit of selling price increases implemented to mitigate the impact of higher coffee bean prices and protect margins. Notwithstanding lower volumes, including the impact of wholesale customer and distributors deferring purchases in the last quarter, the affordable brewed and premium coffee categories achieved revenue growth. Premium coffee volumes benefitted from incremental volume delivered by flavour extensions across the Hug in a Mug speciality coffee range but was not sufficient to recover declines from consumers downtrading to more affordable alternatives. Consumer affordability, elevated selling prices and aggressive competition remained a challenge in the mixed instant segment with revenue declining and more than offsetting the growth achieved across the premium and affordable brewed categories.

Gross profit margins decreased with the impact of higher coffee commodity costs and the deleveraging impact of lower volumes not fully recovered by higher selling prices and benefits from manufacturing productivity initiatives. Selling and administrative costs decreased with benefits from lower distribution costs and restructuring initiatives, including the non-recurrence of once-off restructuring costs incurred last year, offsetting inflationary increase.

Operating profit remained in line with a strong prior year performance with growth in both the affordable brewed and premium coffee segments largely offset by a decline in the mixed instant segment. The operating profit margin benefitted from the effective management of costs and improved.

Creamer

Creamer revenue declined by 4,9% off the exceptional prior year base, with increased competition requiring targeted selling price reductions to support sales volumes. Sales volumes ended higher than last year, with a strong first semester performance offset by declines in the second half, including the impact of wholesale customer and distributor deferrals due to the threat of unrest.

Gross profit margins declined as competition limited our ability to sustain the prior year base with benefits from factory efficiencies not sufficient to offset the impact of lower selling prices and higher raw material input costs. A reduction in selling and administrative expenses, which included benefits from restructuring initiatives, was not sufficient to offset the decline in gross profit margin. As a result, operating profit decreased by 17,5% compared with prior year, reflecting the challenging competitive environment and ongoing cost pressures. Notwithstanding the decline, the profitability and margin performance within this category remains sound and well ahead of historical levels.

Ciro

The Ciro out-of-home business grew revenue by 3,9% as a result of selling price increases to ameliorate the impact of high coffee-based input cost increases, partially offset by lower sales volumes. Demand was affected by increased competition from lower priced options in the garage forecourts and hospitality channels, as well as declines in some international markets. Pressure remained within the outsourced catering channel with corporates continuing to cut back on office spend.

Gross profit margin increased compared to last year, benefitting from higher selling prices and a favourable product mix partially offset by the impact of higher input costs. Selling and administrative costs were well controlled, increasing below inflation. Overall operating profit grew 9,7% with the operating profit margin well managed and remaining ahead of historical levels.

Capital Expenditure

Entyce capital expenditure for the year amounted to R113,1 million. Spend was primarily focused on essential replacement items, factory revamp projects and investment into basic infrastructure, including water and energy efficiency projects to build redundancy and reduce reliance on the unreliable and deteriorating municipal services at both the Durban Tea and Isando Coffee/Creamer production facilities. The remaining spend related to the essential replacement of distribution vehicles as well as beverage dispensing equipment for the Ciro out-of-home coffee business.



A GOURMET MOMENT, Anywhere YOU GO

Snackworks
That's Good Times!

Snackworks revenue of R5,72 billion grew by 1,9% for the year supported by selling price increases taken to recover input cost inflation, partially offset by volume declines due to continued pressure on discretionary consumer spending and heightened competitor activity across both the biscuit and snacks categories. The gross profit margin was well managed in a challenging trading environment, benefitting from disciplined pricing, improved factory efficiencies and ongoing cost control initiatives. This was partially offset by the impact of commodity cost inflation and the deleveraging impact of lower sales volumes.

Selling and administrative costs were tightly controlled ending 1,8% lower than last year with benefits from restructuring initiatives, including the non-recurrence of restructuring implementation costs last year, and lower distribution costs as a result of lower volume and efficiency initiatives which offset inflationary pressures. Operating profit of R1,38 billion improved by 6,8% on the prior year, supported by effectively managed margins and the continued focus on productivity. The operating profit margin of 24,2% increased compared to last year.

Snackworks revenue of

R5,72BN

Operating profit
increased by

6,8%

Operating profit
margin improved to

24,2%

Capital expenditure

R155,4M

Snackworks
That's Good Times!

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	Change F26 vs F25
	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	%
REVENUE	5 717,0	5 611,8	5 597,9	5 261,2	4 702,4	4 267,8	4 365,1	3 890,9	3 960,8	3 956,2	1,9
OPERATING PROFIT	1 383,0	1 294,4	1 270,9	1 038,4	881,4	814,6	910,2	723,1	705,0	666,4	6,8
OPERATING MARGIN (%)	24,2	23,1	22,2	19,7	18,7	19,1	20,9	18,6	17,8	16,8	4,8
CAPITAL EXPENDITURE	155,4	159,0	167,6	135,3	39,2	95,1	80,6	145,5	161,8	175,8	(2,3)



OPERATIONAL REVIEWS continued



Biscuits

Revenue for the year of R4,41 billion was 3,1% higher than last year supported by a strong first semester partly offset by declines in the second half. Selling price increases were implemented to ameliorate input cost pressures and protect margins, although sales volumes were lower. Volumes benefitted from improved demand for Bakers Choice Assorted over the festive season and from innovation launched in the current and prior years but not sufficient to offset constrained category demand, lower volumes in Botswana and Zambia and the disruption to wholesale and distributor orders to the last quarter due to the threat of xenophobic unrest, which impacted more affordable lines like Topper. Innovation continued to gain traction through a focus on affordability and accessibility, with products launched in the last two years contributing 3,6% of total biscuit volumes for the year.

Gross profit margins were well protected through disciplined selling price management and improved manufacturing efficiencies, including waste reductions and restructurings. These benefits offset the impact of commodity and operating cost inflation as well as the deleveraging impact of lower volumes. Selling and administrative costs reduced compared to last year, with restructuring benefits and the non-recurrence of prior year restructuring implementation costs offsetting inflationary cost pressures.

Biscuit operating profit increased by 8,4% compared to last year and was supported by a modest improvement in the operating profit margin.

Snacks

Snacks revenue of R1,31 billion was 2,1% lower than last year due to sale volume declines across both

the potato chip and maize extrude segments partially offset by price increases taken to ameliorate the impact of raw and packaging cost inflation. The potato chip category remained especially competitive, with benefits from flavour extensions across the Flanagan's range not sufficient to offset declines across the balance of the potato brands. Regionalised competition within the maize extrude category intensified, constraining selling prices and demand. Innovation and flavour extensions provided volume support, contributing 5,3% of total snacks volume, with key launches in the later part of the financial year expected to support future revenue growth.

The gross profit margin was maintained in line with last year with selling price increases and factory efficiencies mitigating the impact of higher commodity costs and the deleveraging impact of lower volumes. Selling and administrative costs were well contained, ending slightly lower than last year, with benefits from restructuring initiatives and the non-recurrence of once-off costs last year as well as lower distribution costs. Overall operating profit decreased by 3,6% compared to last year with the operating profit margin sustained.

Capital expenditure

Capital expenditure of R155,4 million for the year was focused on essential replacement items, production line efficiencies, packaging line investments providing flexibility to cater for alternative consumption occasions and price points, and continued investment into factory infrastructure upgrades, including utility redundancy and security.



NEW FRAGRANCE FOR HER

AVI INTERNATIONAL

Performance across many of AVI International's regions was mixed, with resilient growth in markets such as Mozambique, Namibia, Zambia, Zimbabwe, and Tanzania partly offset by pressure in Botswana, Malawi and certain distributor markets. Macro-economic pressure experienced in Botswana reduced levels of discretionary income and exerted pressure on demand. Notwithstanding immense pressure from foreign currency availability, some recovery was achieved in Mozambique following last year's political instability and civil unrest. Logistical disruptions and restricted access to currency in certain distributor markets necessitated careful load planning, as well as a meticulous oversight of credit risk to ensure the conversion of profits into cash. In line with our domestic business, selling price increases were implemented to protect margins with sales volumes ending lower in all categories, as affordability became more challenging for consumers. Notwithstanding volume pressures AVI International delivered operating profit growth supported by improved performances across key markets, as well as a continued focus on cost containment, which offset declines in Botswana and several smaller export markets.

AVI international
revenue of

R1,24BN

Operating profit
improved by

3,8%

Operating profit
margin improved to

28,1%

AVI International	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm	2021 R'm	2020 R'm	2019 R'm	2018 R'm	2017 R'm	Change F26 vs F25 %
REVENUE	1 241,2	1 272,8	1 276,4	1 275,7	1 219,7	1 185,4	1 133,9	1 044,1	992,1	1 016,2	(2,5)
OPERATING PROFIT	348,5	335,9	312,9	300,9	273,0	271,1	252,9	212,9	188,6	196,9	3,8
OPERATING MARGIN (%)	28,1	26,4	24,5	23,6	22,4	22,9	22,3	20,4	19,0	19,4	6,4

* This table is an aggregation of results included in Entyce Beverages, Snackworks and Indigo Brands.



OPERATIONAL REVIEWS continued



Revenue finished slightly below the prior year, with the benefit of higher selling prices and effective management of trading terms largely offsetting lower sales volumes. Mozambique recovered well, albeit off a low base, but continued foreign exchange liquidity constraints subdued further growth. Zimbabwe continued to outperform expectations, while Tanzania benefitted from improved execution. Zambia and Namibia both delivered robust performances. In Zambia commercial conditions rebounded and the Kwacha strengthened considerably, although cheaper alternatives and aggressive competitor pricing continued to pressurise demand for our core product range. In Namibia, buoyant economic momentum, disciplined discount management and strong operational execution supported a pleasing revenue growth and operating margin expansion. Shipping and logistical challenges into Mauritius and IOEC eased somewhat during the year, allowing for increased sales in these regions. These gains were offset by significant headwinds in Botswana, where macro-economic conditions negatively impact consumer demand and drove volume declines. Ordering from local distributors was inconsistent with sales volumes ending lower, while Malawi faced limited foreign currency availability hampering sales into this region.

Gross profit margins were well protected through focused discount management and selling price increases implemented to mitigate the impact of input cost inflation. In Zambia, carefully targeted discounting was required to respond to continued Kwacha appreciation to preserve margins. In Botswana and Namibia, the snacks category price lists were de-coupled from the domestic business with significant out-of-cycle price increases taken to ameliorate disproportionate distribution costs. This led to volume declines but improved margins. Selling and administrative costs were well managed with inflationary increases further impacted by increased fuel prices and increased investment in in-country marketing activations. This supported a 3,8% operating profit growth and an improved operating profit margin.

From a category perspective, profit growth was realised across most key categories, except Creamer and Mixed Coffee. Tea was the leading performer with healthy growth in Mozambique, as well as in Zimbabwe, Zambia and Namibia. This was partially offset by declines in Botswana and Local Distributors. Biscuits delivered a credible performance benefitting from some recovery in Mozambique, strategic deals in Zambia, and continued growth in Tanzania and several export markets but was heavily impacted by declines in Botswana. The Personal Care portfolio showed signs of recovery posting growth in key markets like Namibia, Mauritius and Mozambique, although this was off set by pressure in Botswana, Zambia and Malawi where the category continued to be challenged by aggressive competition from more affordable private label offerings and constrained discretionary spend. Snacks delivered a pleasing performance with moderate growth achieved in several key markets. The mixed instant coffee category continued to struggle as a result of aggressive competitor pricing, especially in our subsidiary markets. The mixed brewed and premium coffee categories delivered a sound performance but growth was not sufficient to recover declines in mixed instant.





Revenue of R2,83 billion increased 10,2% on last year due to improved fish selling prices, higher sales volumes and a favourable product mix, partly offset by the impact of a stronger Rand exchange rate on export sales. Fish revenue growth was stronger in export markets, where sound demand and pricing were aided by additional freezer vessel capacity. Domestic growth was lower with volumes pressurised by aggressive competition and constrained demand. Abalone sales reduced by 15,0% with oversupply, weak selling prices and poor demand in key markets.

The fishing performance was well supported by additional capacity from the new freezer vessel ("Umlungisi") which commenced fishing in February 2025, higher freezer fleet sea days compared to the prior year due to improved utilisation as well as lower repair and maintenance costs. This was partly offset by slightly lower catch rates and increased fuel prices. The fishing cost per kilogram increased on last year due to marginally lower catch rates and the increase in fuel costs partially offset by improved vessel utilisation. Processing costs per kilogram increased marginally due to inflationary increases in overheads, direct labour and raw materials as well as slightly lower production volumes at the Woodstock facility driven by the catch rate performance.

I&J revenue of

R2,83BN

Operating profit increased by

32,1%

Operating profit margin improved to

11,2%

Capital expenditure

R70,3M

												
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	Change	
	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	F26 vs F25	%
REVENUE	2 829,8	2 567,8	2 459,2	2 486,6	2 473,8	2 605,4	2 327,9	2 507,2	2 487,6	2 362,7	10,2	
OPERATING PROFIT	318,0	240,8	199,7	196,8	306,2	341,6	237,8	407,9	425,0	389,1	32,1	
OPERATING MARGIN (%)	11,2	9,4	8,1	7,9	12,4	13,1	10,2	16,3	17,1	16,5	19,1	
CAPITAL EXPENDITURE	70,3	246,0	83,7	139,2	87,8	133,6	137,3	103,1	116,9	128,7	(71,4)	

OPERATIONAL REVIEWS continued



Costs at the Value-Added production facility were effectively managed and increased at levels lower than inflation with support from higher production volumes compared to last year. Notwithstanding increased competition and constrained demand in domestic markets, innovation provided incremental volume with good support for the improved Light & Crispy range launched in February 2026.

The fishing gross profit margin improved off a low prior year base and remains below desired levels. The improvement reflects benefits from selling price increases, improved freezer fleet capacity and gains on fuel hedges partly offset by unfavourable foreign currency realisation on export sales, lower catch rates on the freezer fleet and higher fuel prices.

The Danger Point abalone farm's gross profit declined significantly compared to the prior year with reduced demand and over-supply, with many competitors discounting aggressively due to farm closures, constraining selling prices. This was exacerbated by an unfavourable abalone fair value adjustment of R84,0 million, compared to R38,1 million last year, driven by lower selling prices, a stronger year-end closing exchange rate compared to June 2025 and changes in the biomass mix. Costs were effectively managed with savings initiatives supporting a reduction of operational farm costs.

Selling and administrative costs increased compared to last year due to inflationary increases, an unfavourable foreign exchange revaluation and the non-recurrence of prior year insurance income partly offset by the benefit of disciplined cost control.

Operating profit increased from R240,8 million to R318,0 million, and the operating profit margin increased from 9,4% to 11,2%. The overall result reflects an improvement in fishing profits partly offset by a challenging year in abalone which delivered an increased operating loss.

Capital expenditure

Capital expenditure of R70,3 million included R31,8 million on vessel maintenance and upgrades, R5,5 million towards the improvements on the fishmeal plant, R3,4 million towards ongoing refrigeration infrastructure upgrades at the Value-Added Processing plant and R3,6 million at the Danger Point abalone farm, most notably related to water reticulation equipment and basket replacements.

The ability of the business to benefit from allocated fishing rights is dependent on a material improvement in catch rates, which currently remain at historical lows, as well as an increase in catching capacity. The second-hand freezer vessel acquired last year has been fully integrated into the I&J fleet and has delivered much needed capacity and support to the fishing performance reducing the extent to which the current quota is not caught.

OPERATIONAL REVIEWS continued

Hake quota (tons)	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
South Africa	144 152	151 739	145 698	138 772	132 163	139 119	146 430	146 430	133 120	140 216
I&J	37 030	38 986	37 429	35 850	34 143	37 543	39 517	39 517	36 013	37 901
% of TAC	25,7	25,7	25,7	25,8	25,8	27,0	27,0	27,0	27,1	27,1

The Hake TAC comprises a number of sub sectors, most notably Hake Deep Sea Trawl, Hake Inshore Trawl, and Hake Longline. I&J has Hake Deep Sea Trawl and Hake Inshore Trawl rights.

I&J Minority Shareholding

Following a successful partnership between AVI, I&J and Main Street 198 (Pty) Ltd, the previous Broad-based Black Economic Empowerment ("BBBEE") partners, the arrangement matured on 1 July 2023 and was terminated in accordance with the agreements. In line with the Group's commitment to transformation in South Africa a new BBBEE transaction was implemented on the same date. In terms of the new transaction, Twincitiesworld (Pty) Ltd ("Twincitiesworld"), a 100% black-owned company, acquired 18,75% of the issued share capital in I&J Limited. The structure of the new transaction aligned with that previously in place and provides Twincitiesworld with the opportunity to participate in the economic benefits of I&J Limited through a material ownership stake.

Together with the 6,25% shareholding owned by the I&J employees, 25% of the issued share capital of I&J Limited is held by black shareholders, thus promoting an equitable and sustainable economic participation through a broad-based sharing of value creation.

RSA Hake Resource

The South African hake total allowable catch ("TAC") decreased by 5,0% to 144 152 tons for the 2026 calendar year, from 151 739 tons in 2025. Following the conclusion of the Fishing Rights Allocation Process and related appeals in October 2023, I&J's allocation reduced from 27,0% to 25,7% of the TAC, resulting in I&J's hake quota of 37 030 tons in 2026.

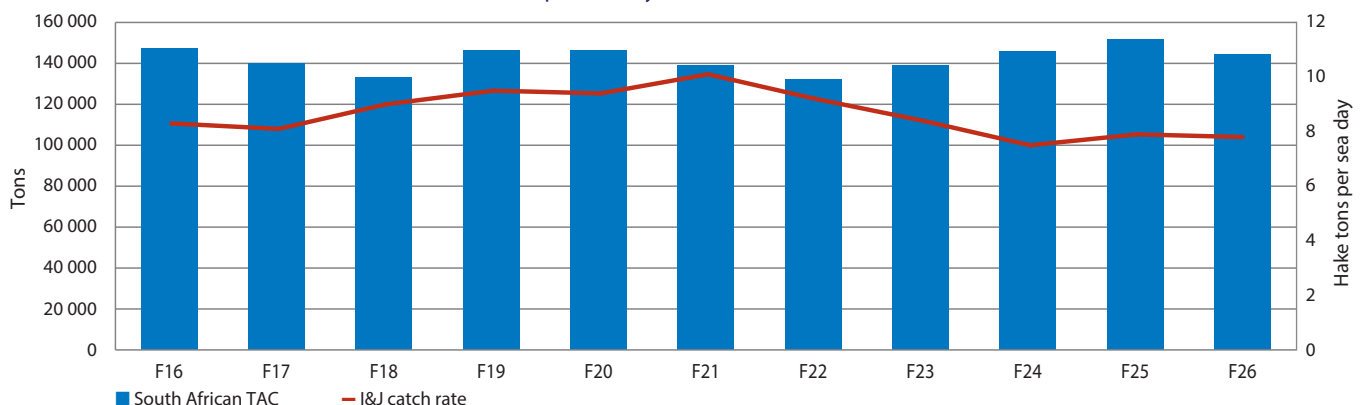
Changes in the TAC are made annually by the Department of Forestry, Fisheries and Environment ("DFFE") in accordance with a well-established management program based on research voyages and catch data recorded by quota holders. During 2026 the Marine Stewardship Council ("MSC") recertified that the

South African hake resource met the requisite environmental standards for sustainable fishing for a further five years. This certification gives assurance to buyers and consumers that the seafood comes from a well-managed and sustainable resource, which is increasingly relevant to customers in I&J's export markets. The South African Deep Sea Trawling Association continues to work closely with the DFFE to maintain a sustainable fishery into the future, including activities such as research voyages, the on-board observer program and effective patrolling of the fishery.

I&J's catch rate (hake tons per sea day) decreased from 7,9 in F25 to 7,8 in F26, with similar catch rates on the wet fleet and lower catch rates achieved on the freezer fleet.



South African hake TAC and I&J catch rates (hake tons per sea day)



AIR FRYER TIPS:



MORE CRISP MORE CRUNCH



FASHION BRANDS

PERSONAL CARE

Indigo's revenue of R877,0 million was 5,1% lower than last year, with the constrained consumer environment and aggressive discounting by competitors negatively impacting demand. Overall, market share positions in key personal care categories were largely maintained in line with last year with category declines reflective of the strain on consumers and discretionary incomes. Revenue declines were primarily attributable to the core deodorant body spray category which remained challenged by competitive intensity. Indigo's range rationalisation continued with a focus on rebuilding medium-term profitability. Consumer demand for innovation launched was encouraging, particularly in the fragrance category, and provided good support to revenue. The new 100ml Fragrance Mist range performed well with fragrance mists rapidly becoming a preferred format for many consumers. Indigo's Lenthéric For Her 100ml Eau de Parfum range also exceeded expectations, providing a compelling value proposition for increasingly price-conscious consumers. Revenue in Colour Cosmetics grew reflecting the benefit of a focused consolidation of the product range and discontinuation of non-profitable products and retail outlets.

The business remains focused on delivering meaningful product and market innovation in response to ever-changing consumer requirements and the increasingly competitive landscape, with a strong pipeline of innovation in place for F27 to support future growth.

Indigo's revenue of

R877,0M

Operating profit increased by

2,7%

Operating profit margin improved to

18,3%

Capital expenditure

R15,7M

Personal Care	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm	2021 R'm	2020 R'm	2019 R'm	2018 R'm	2017 R'm	Change F26 vs F25 %
REVENUE	877,0	924,3	1 022,5	1 223,3	1 176,5	1 152,9	1 192,7	1 111,4	1 190,6	1 194,5	(5,1)
OPERATING PROFIT	160,9	156,7	220,0	233,1	193,4	170,4	150,2	237,2	250,3	241,5	2,7
OPERATING MARGIN (%)	18,3	17,0	21,5	19,1	16,4	14,8	12,6	21,3	21,0	20,2	7,6
CAPITAL EXPENDITURE	15,7	40,9	15,9	16,8	9,6	12,1	25,0	44,5	36,9	55,6	(61,5)

YARDLEY
LONDON

LENTHÉRIC
LONDON • PARIS

exclamation

OPERATIONAL REVIEWS continued

The gross profit margin remained in line with last year, supported by cost saving initiatives and price increases implemented to mitigate the impact of inflationary cost pressures. This was largely offset by an unfavourable sales mix and the deleveraging impact of lower volumes.

Selling and administrative costs were well managed and ended lower supported by savings from restructuring and efficiency, the impact of reduced sales volumes on variable costs and reduced marketing spend as a result of focus on improving engagement with consumers at point of purchase. In line with the continued focus on optimising our cost base and improving efficiencies, further restructuring initiatives were implemented towards the end of the year resulting in once-off costs with

benefits expected to be realised in the next financial year.

Operating profit improved from R156,7 million to R160,9 million, with the operating profit margin improving from 17,0% to 18,3%.

Capital Expenditure

Capital expenditure of R15,7 million for the year included R6,3 million invested in manufacturing capability to support the launch of innovation in the current year and planned for F27. The balance of spend relates to normal replacement expenditure, including permanent merchandising units and site infrastructure upgrades.





FOOTWEAR AND APPAREL

Revenue increased by 2,1% on last year to R1,65 billion due to an increase in footwear volumes. The footwear performance was underpinned by good demand for core brands and improved availability due to the earlier receipt of the Summer range and the non-repeat of last year's supply chain issues. Trading conditions remained challenging, with subdued consumer demand, elevated promotional activity, particularly from apparel retailers, and intense competition necessitating targeted price reductions on key styles to support demand. The overall performance was lifted by a stronger December with revenue increasing 10,5% and footwear volume growth of 14,4%. Clothing brands revenue was lower but well supported by the more affordable Kurt Geiger Signate range which was launched last year. The decision to close the Green Cross business in the second semester of last year resulted in the closure of the last remaining three stores in the first half, with revenue for the year reducing from R94,6 million to R39,8 million. Like-for-like revenue, excluding stores opened, closed or refurbished over the last two years increased 8,3%.

The gross profit margin improved marginally due to higher footwear selling prices, with increases taken in the second semester to protect margins, and the non-recurrence of prior year airfreight costs incurred to address supplier delays as well as stock provisions for discontinued Green Cross lines. This was partly offset by increased competition which prompted price reductions, cost inflation on core Carvela ranges and the clearance of Green Cross inventory at lower margins.

Footwear revenue of

R1,65BN

Operating profit increased by

15,9%

Operating profit margin improved to

18,5%

Capital expenditure

R34,8M

Footwear and apparel	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm	2021 R'm	2020 R'm	2019 R'm	2018 R'm	2017 R'm	Change F26 vs F25 %
REVENUE	1 652,4	1 619,2	1 757,3	1 696,9	1 511,0	1 466,0	1 475,0	1 818,8	1 964,4	1 914,1	2,1
OPERATING PROFIT	305,7	263,7	340,8	354,8	302,5	230,4	202,2	328,5	394,7	366,0	15,9
OPERATING MARGIN (%)	18,5	16,3	19,4	20,9	20,0	15,7	13,7	18,1	20,1	19,1	13,5
CAPITAL EXPENDITURE	34,8	40,3	45,2	75,0	47,2	24,2	28,9	55,5	41,5	49,1	(13,6)

SPITZ CARVELA MADE IN ITALY KURT GEIGER LACOSTE F.TOSONI GREEN CROSS GX&CO GANT Eden PARIS Park

OPERATIONAL REVIEWS continued

Selling and administrative costs decreased, reflecting the benefit of restructuring initiatives implemented last year, and lower costs associated with the closure of the Green Cross retail business, partly offset by inflationary pressures and higher fuel prices in the last quarter. The investment in our brands across various platforms and through numerous initiatives continues to resonate with consumers with ongoing focus placed on supporting our brand positions. In addition, we have continued improving the efficiency of our retail footprint, including central and store structures, to optimise profitability and protect trading densities in a challenging trading volume environment.

Operating profit improved from R263,7 million to R305,7 million, with the operating profit margin increasing from 16,3% to 18,5%. Excluding the impact of the Green Cross closure, operating profit would have ended 7,2% higher with an operating profit margin of 19,4%.

The environment remains constrained and resulted in the closure of four underperforming stores, two stores in high-risk environments, in addition to the three Green Cross stores over the year. The ongoing review of our store base is expected to support trading densities across the Spitz and Kurt Geiger brands. During the year two Spitz stores, one Eden Park and one Gant store were opened.

Capital Expenditure

Capital expenditure of R34,8 million included R28,8 million for the refurbishment and opening of new stores, including the launch of an online Gant store and development of an online Spitz store which is planned for launch in the next financial year.

S P I T Z		2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
NUMBER OF STORES		69	69	69	69	69	72	74	74	75	77
TURNOVER (R'm)		1 382	1 286	1 352	1 262	1 102	1 079	1 065	1 251	1 329	1 287
AVERAGE (m²)		18 102	18 037	17 827	18 367	18 681	19 034	19 489	19 484	19 841	19 776
TRADING DENSITY (R/m²)		76 330	71 322	75 838	68 717	59 013	56 711	54 650	64 198	66 960	65 071
CLOSING (m²)		18 177	18 076	18 048	18 358	18 394	18 956	19 384	19 363	19 460	20 037

KURT GEIGER		2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
NUMBER OF STORES		24	28	29	31	31	34	34	33	33	33
TURNOVER (R'm)		142	150	166	188	187	174	175	210	217	211
AVERAGE (m²)		3 252	3 481	3 760	3 934	4 222	4 219	4 259	4 186	4 194	4 135
TRADING DENSITY (R/m²)		43 780	43 003	44 220	47 735	44 295	41 321	41 116	50 237	51 640	50 920
CLOSING (m²)		3 026	3 466	3 760	3 934	3 934	4 287	4 289	4 191	4 194	4 115

GREEN CROSS		2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
NUMBER OF STORES		–	4	13	15	18	22	37	41	45	42
TURNOVER (R'm)		3	61	93	103	103	104	141	225	276	275
AVERAGE (m²)		90	1 375	1 817	2 141	2 494	3 450	4 825	5 340	5 436	4 925
TRADING DENSITY (R/m²)		32 022	44 313	51 271	48 325	41 196	30 000	29 202	42 110	50 804	55 778
CLOSING (m²)		–	649	1 568	1 999	2 326	2 745	4 471	4 936	5 536	5 218

GANT		2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
NUMBER OF STORES		6	5	5	5	5	5	5	5	6	6
TURNOVER (R'm)		78	87	90	85	68	52	45	63	52	45

FINANCIAL REVIEW

AVI's results for the year ended 30 June 2026 reflect another resilient performance in what remains a challenging trading environment. The first semester benefitted from selling price increases, volume growth in several categories and sound margin management, supported by cost efficiency initiatives implemented in the prior year. The second semester was more challenging with weaker consumer demand exacerbated by materially higher fuel prices, sustained high interest rates and a generally more competitive environment. The last quarter's sales were substantially impacted by lower demand from distributors and wholesale customers who delayed purchases due to the threat of unrest surrounding the 30 June national protest action. Notwithstanding the challenges, the Group has delivered a sustained profit improvement over several years with a Group operating profit CAGR of 11,1% since F23.

Group revenue grew by 1,4%, with first semester growth partially offset by weaker demand in some categories in the second semester. Entyce revenue declined 2,5%, reflecting the impact of lower sales across all beverage categories off the strong prior year base. Creamer sales volumes were supported by selling price reductions in response to competition. Demand across the remaining categories was subdued, particularly through the second semester, with the impact of lower sales volumes partially offset by selling price increases taken to recover higher commodity input costs. Snackworks revenue increased by 1,9%, supported by a stronger first semester, higher selling prices and benefits from innovation. Revenue growth was strongest in I&J, which benefitted from improved selling prices and incremental capacity from the additional freezer vessel, which supported improved export hake fillet sales volumes. This was partly offset by a decline in abalone sales in key export markets. Indigo's personal care revenue declined by 5,1% largely due to lower demand in the core deodorant body spray category. Innovation generated encouraging sales but not yet sufficient to offset declines across the broader portfolio. Footwear and Apparel brands delivered revenue growth of 2,1%, with improved footwear sales volumes in both the first and second semester. Growth was constrained by widespread discounting by big-box apparel retailers. The improved performance was supported by a stronger December trading period, and the non-repeat of prior year supply chain challenges in some brands.

Operating profit increased by

4,4%

Operating profit margin improved to

22,9%

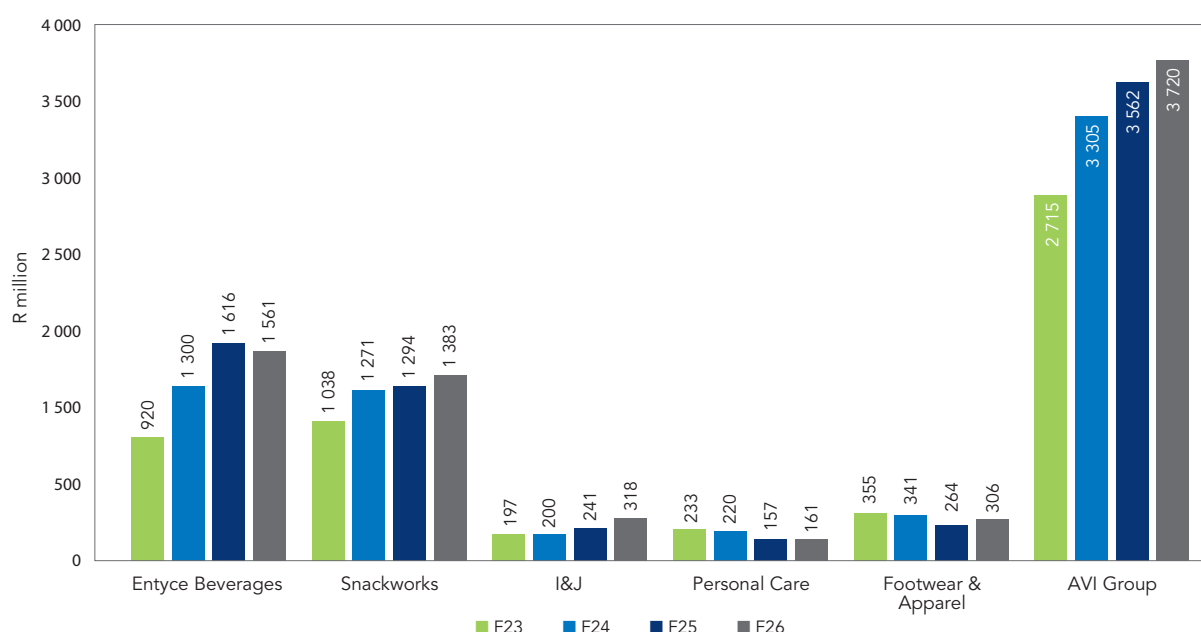
Headline earnings grew by

6%

Headline earnings per share increased by

5,3%

Operating profit F23 – F26 (R'mil)



Consolidated gross profit increased by 0,8% with the gross profit margin protected at 42,4%, compared with 42,7% in the prior year. The margin performance improved across most categories, except for Entyce, where competition constrained the exceptional prior year performance in the Creamer category. Selling and administrative expenses were well controlled, declining by 3,2% compared to the prior year, partially due to the ongoing benefits of restructuring initiatives implemented during the prior and current year. Operating profit increased by 4,4% from R3,56 billion to R3,72 billion, with the operating profit margin improving from 22,2% to 22,9%.

Net finance costs were lower than last year, supported by lower interest rates, lower average borrowing levels and strong cash generation. The effective tax rate was largely in line with the prior year. Headline earnings grew by 6,0% and headline earnings per share increased by 5,3% from 729,1 to 767,9 cents per share.

There were no material capital items in the current year. Prior year gains included profits on the disposal of the assets and business conducted by I&J's Umsobomvu joint venture.

Cash generation remained strong, with cash generated by operations before working capital changes increasing by 5,9% to R4,47 billion. The improvement was underpinned by the higher operating profit and increased adjustments for

non-cash items, including the fair value adjustment to I&J's abalone stock. Working capital was well managed, increasing by R59,6 million. Capital expenditure of R387,2 million supported continued investment in innovation, improved manufacturing capability, product quality and customer service levels across our production facilities. Other material cash flows included ordinary dividends paid of R2,19 billion, taxation paid of R931,0 million and interest paid of R196,1 million. Net debt, excluding leases, was R1,14 billion at the end of June 2026 compared to R1,71 billion in the prior year.

Dividend

In line with the Group's normal dividend payout ratio the Board has declared a final ordinary dividend of 418 cents per share, resulting in a full year ordinary dividend of 663 cents, which is 5,9% higher than last year, and in line with the growth in headline earnings.

Strong cash generation has supported lower than targeted gearing levels and as a result the Board has also approved a special dividend of 300 cents per share. This results in an effective dividend yield of 9,6% on the 30 June 2026 closing share price of R100,53. Taking into consideration the special dividend, AVI's gearing is expected to increase to the upper range of our normal targeted operating levels in the 2027 year.

Segmental review

	SEGMENTAL REVENUE			SEGMENTAL OPERATING PROFIT		
	2026 R'm	2025 R'm	% change	2026 R'm	2025 R'm	% change
FOOD & BEVERAGES BRANDS	13 710,9	13 478,0	1,7	3 261,9	3 151,1	3,5
Entyce Beverages	5 164,1	5 298,4	(2,5)	1 560,9	1 615,9	(3,4)
Snackworks	5 717,0	5 611,8	1,9	1 383,0	1 294,4	6,8
I&J	2 829,8	2 567,8	10,2	318,0	240,8	32,1
FASHION BRANDS	2 529,4	2 543,5	(0,6)	466,6	420,4	11,0
Personal Care	877,0	924,3	(5,1)	160,9	156,7	2,7
Footwear & Apparel	1 652,4	1 619,2	2,1	305,7	263,7	15,9
CORPORATE				(8,6)	(9,6)	
GROUP	16 240,3	16 021,5	1,4	3 719,9	3 561,9	4,4

FINANCIAL REVIEW continued

Definitions

Number of ordinary shares in issue

Total issued ordinary share capital.

Weighted average number of ordinary shares in issue

The time weighted average number of ordinary shares in issue, excluding shares held by AVI share trusts and subsidiaries.

Earnings per ordinary share

- Earnings and headline earnings respectively for the year in cents divided by the weighted average number of ordinary shares in issue.
- Diluted earnings and diluted headline earnings per ordinary share are calculated taking account of the unexercised share options as disclosed in Note 32 of the annual financial statements on pages 195 to 198, duly adjusted to take account of the shares to be issued at fair value calculated in accordance with IAS 33 – *Earnings per Share*. Calculations are presented in Note 29 of the annual financial statements.

Dividend cover

Diluted headline earnings per share from continuing operations divided by the ordinary dividends declared to shareholders of the Company in respect of the results for the year.

Financial ratios

Operating margin

Operating profit as a percentage of revenue.

Return on capital employed

Operating profit before capital items and after taxation from continuing operations, as a percentage of average capital employed. Capital employed is total equity plus net interest bearing debt.

Net working capital

Inventories and trade receivables, less trade payables.

Free cash flow

Cash available from operating activities and investments, less net capital expenditure.

Free cash flow per ordinary share

Free cash flow for the year in cents divided by the weighted average number of ordinary shares in issue.

EBITDA

Operating profit before capital items and depreciation and amortisation.

Net debt/(cash)

Financial liabilities and borrowings and current borrowings, less cash and cash equivalents.

Interest cover ratio

EBITDA divided by net finance costs.

Net debt/capital employed

Net debt divided by capital employed.

Net debt/EBITDA

Net debt divided by EBITDA

Key statistics – five-year summary

	2026	2025	2024	2023	2022
FINANCIAL RATIOS (%)					
– Operating margin	22,9	22,2	20,8	18,2	18,3
– Return on capital employed	35,7	34,9	34,3	29,5	29,1
– Net working capital as a percentage of revenue	24,6	25,6	24,2	23,7	23,5
– EBITDA (R'm)	4 329,2	4 149,2	3 852,4	3 282,1	3 094,1
LIQUIDITY					
– Free cash flow (R'm)	2 909,5	2 278,6	2 223,6	1 723,2	2 011,4
– Free cash flow per ordinary share (cents)	872,1	687,0	672,2	521,2	608,9
– Net debt/capital employed (%)	22,1	29,7	19,7	25,5	25,9
– Net debt/EBITDA ratio	0,4	0,5	0,4	0,5	0,5
– Interest cover ratio	22,7	18,3	20,9	17,2	27,9
Employees at 30 June	8 680	9 108	8 937	9 220	9 315
Revenue – continuing operations (R'm)	16 240,3	16 021,5	15 862,3	14 919,6	13 845,3
Revenue per employee (R'000)	1 870,5	1 759,0	1 774,9	1 618,2	1 486,3

Share statistics – five-year summary

	2026	2025	2024	2023	2022
Number of ordinary shares in issue ('000)	341 650	340 146	338 965	338 192	336 002
Weighted average number of ordinary shares in issue ('000)	333 627	331 671	330 792	330 596	330 322
SHARE PERFORMANCE (CENTS PER SHARE)					
Earnings	768,1	732,6	682,5	555,6	530,1
Diluted earnings	760,2	721,2	675,5	553,8	528,8
Headline earnings	767,9	729,1	687,1	553,6	530,6
Diluted headline earnings	760,0	717,8	680,0	551,8	529,2
Dividends declared (excluding special dividends)	663,0	626,0	590,0	482,0	462,0
Dividend cover (times)	1,15	1,15	1,15	1,15	1,15
MARKET PRICE PER SHARE (CENTS)					
– at year end	10 053	9 413	9 459	6 809	6 572
– highest	11 517	11 409	9 650	7 839	8 914
– lowest	8 953	8 341	6 654	6 200	6 227
– volume weighted average	10 004	9 913	8 100	7 077	7 429
Total market capitalisation at closing prices (R'm)	34 346,1	32 018,0	32 062,7	23 027,5	22 082,1
Price earnings ratio ¹	13,1	12,9	13,8	12,3	12,4
Value of shares traded (R'm)	23 247,8	24 325,8	18 129,8	16 804,0	18 540,2
Value traded as a percentage of average capitalisation (%)	68,0	72,1	66,0	70,2	74,3
Number of shares traded (millions)	232,4	245,4	223,8	237,4	249,6
Liquidity – number traded as percentage of shares in issue at year-end (%)	68,0	72,1	66,0	70,2	74,3
Average weekly Rand value traded (R'm)	455,8	477,0	355,5	329,5	363,5

¹ Calculated based on the published headline earnings per share and the share price at year end.

Value added statement

	2026		2025	
	R'm	%	R'm	%
VALUE ADDED				
Revenue	16 240,3		16 021,5	
Cost of materials and services	8 035,4		7 983,4	
Value added by operations	8 204,9	100	8 038,1	100
Capital items (gross)	0,8	–	11,1	–
	8 205,7	100	8 049,2	100
Investment and other income	5,0	–	9,8	–
	8 210,7	100	8 059,0	100
VALUE DISTRIBUTED AND RETAINED EMPLOYEES				
Salaries, wages and other benefits	3 466,9	42	3 479,5	43
Providers of capital	2 402,5	29	3 227,5	40
Dividends paid to Group shareholders	2 191,2	27	2 975,4	37
Interest paid	196,1	2	236,8	3
Lease expenses	15,2	–	15,3	–
Government	1 371,0	17	1 321,8	16
Taxation	1 371,0	17	1 321,8	16
Reinvested in the Group	970,3	12	30,2	–
Depreciation	598,9	7	575,9	7
Profit for the year	2 562,6	31	2 429,7	30
Dividends paid	(2 191,2)	(27)	(2 975,4)	(37)
	8 210,7	100	8 059,0	100

FINANCIAL REVIEW continued

Group at a glance

	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm	Change F26 vs F25 %
AVI						
Revenue	16 240,3	16 021,5	15 862,3	14 919,6	13 845,3	1,4
Operating profit	3 719,9	3 561,9	3 304,6	2 714,8	2 540,1	4,4
Operating margin (%)	22,9	22,2	20,8	18,2	18,3	3,2
Capital expenditure	387,2	601,0	476,5	482,2	240,8	(35,6)
FOOD AND BEVERAGE						
Revenue	13 710,9	13 478,0	13 082,5	11 999,4	11 157,8	1,7
Operating profit	3 261,9	3 151,1	2 770,7	2 155,4	2 068,2	3,5
Operating margin (%)	23,8	23,4	21,2	18,0	18,5	1,7
Capital expenditure	338,8	518,5	414,1	383,8	177,8	(34,7)
Entyce Beverages						
Revenue	5 164,1	5 298,4	5 025,4	4 251,6	3 981,6	(2,5)
Operating profit	1 560,9	1 615,9	1 300,1	920,2	880,6	(3,4)
Operating margin (%)	30,2	30,5	25,9	21,6	22,1	(1,0)
Capital expenditure	113,1	113,5	162,9	109,3	50,8	(0,3)
Snackworks						
Revenue	5 717,0	5 611,8	5 597,9	5 261,2	4 702,4	1,9
Operating profit	1 383,0	1 294,4	1 270,9	1 038,4	881,4	6,8
Operating margin (%)	24,2	23,1	22,7	19,7	18,7	4,8
Capital expenditure	155,4	159,0	167,6	135,3	39,2	(2,3)
I&J						
Revenue	2 829,8	2 567,8	2 459,2	2 486,6	2 473,8	10,2
Operating profit	318,0	240,8	199,7	196,8	306,2	32,1
Operating margin (%)	11,2	9,4	8,1	7,9	12,4	19,1
Capital expenditure	70,3	246,0	83,7	139,2	87,8	(71,4)
FASHION BRANDS						
Revenue	2 529,4	2 543,5	2 779,8	2 920,2	2 687,5	(0,6)
Operating profit	466,6	420,4	560,8	587,9	495,9	11,0
Operating margin (%)	18,4	16,5	20,2	20,1	18,5	11,5
Capital expenditure	50,5	81,2	61,1	91,8	56,8	(37,8)
Personal Care						
Revenue	877,0	924,3	1 022,5	1 223,3	1 176,5	(5,1)
Operating profit	160,9	156,7	220,0	233,1	193,4	2,7
Operating margin (%)	18,3	17,0	21,5	19,1	16,4	7,6
Capital expenditure	15,7	40,9	15,9	16,8	9,6	(61,6)
Footwear & Apparel						
Revenue	1 652,4	1 619,2	1 757,3	1 696,9	1 511,0	2,1
Operating profit	305,7	263,7	340,8	354,8	302,5	15,9
Operating margin (%)	18,5	16,3	19,4	20,9	20,0	13,5
Capital expenditure	34,8	40,3	45,2	75,0	47,2	(13,6)

Group balance sheets – five-year summary

	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm
ASSETS					
Non-current assets					
Property, plant and equipment	3 349,2	3 421,1	3 248,3	3 184,2	3 105,0
Right-of-use assets	430,9	463,5	466,9	483,2	424,9
Intangible assets and goodwill	934,5	940,3	943,0	927,7	937,0
Investments	24,4	22,6	32,5	34,5	29,1
Deferred tax asset	61,9	58,6	71,2	35,6	37,8
	4 800,9	4 906,1	4 761,9	4 665,2	4 533,8
Current assets					
Inventories and biological assets	3 115,6	3 127,3	3 055,0	3 052,6	2 820,7
Trade and other receivables including derivatives	2 264,8	2 169,3	2 139,9	1 989,1	1 798,6
Cash and cash equivalents	206,8	294,5	352,9	494,9	191,4
	5 587,2	5 591,1	5 547,8	5 536,6	4 810,7
Total assets	10 388,1	10 497,2	10 309,7	10 201,8	9 344,5
EQUITY AND LIABILITIES					
Capital and reserves					
Attributable to equity holders of AVI	5 861,3	5 346,9	5 784,9	5 116,9	4 793,7
Total equity	5 861,3	5 346,9	5 784,9	5 116,9	4 793,7
Non-current liabilities					
Lease liabilities	391,3	417,8	404,9	412,8	354,1
Cash-settled share-based payment liability	16,4	17,5	15,2	–	–
Employee benefit liabilities	304,8	300,1	334,8	286,7	282,3
Deferred taxation	382,9	388,0	394,9	405,6	441,9
	1 095,4	1 123,4	1 149,8	1 105,1	1 078,3
Current liabilities					
Cash-settled share-based payment liability	2,5	–	–	–	34,8
Current borrowings	1 481,6	2 139,9	1 367,2	1 831,9	1 513,7
Trade and other payables including derivatives	1 905,6	1 855,3	1 965,9	2 066,6	1 853,5
Current tax liabilities	41,7	31,7	41,9	81,3	70,5
	3 431,4	4 026,9	3 375,0	3 979,8	3 472,5
Total equity and liabilities	10 388,1	10 497,2	10 309,7	10 201,8	9 344,5

FINANCIAL REVIEW continued

Group income statements – five-year summary

	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm
Revenue	16 240,3	16 021,5	15 862,3	14 919,6	13 845,3
Operating profit before capital items	3 719,9	3 561,9	3 304,6	2 714,8	2 540,1
Income from investments	5,0	10,1	14,8	8,0	4,6
Finance costs	(196,1)	(236,8)	(199,3)	(198,9)	(115,5)
Equity accounted earnings of joint ventures	–	(0,3)	(3,2)	2,1	(0,8)
Capital items	0,8	11,1	(20,7)	9,1	(2,2)
Profit before taxation	3 529,6	3 346,0	3 096,2	2 535,1	2 426,2
Taxation	(967,0)	(916,3)	(838,5)	(698,2)	(675,0)
Profit after taxation	2 562,6	2 429,7	2 257,7	1 836,9	1 751,2
Earnings attributable to owners of AVI	2 562,6	2 429,7	2 257,7	1 836,9	1 751,2
Capital items after tax	(0,6)	(11,5)	15,0	(6,7)	–
Headline earnings	2 562,0	2 418,2	2 272,7	1 830,2	1 751,2

Group cash flow statements – five-year summary

	2026 R'm	2025 R'm	2024 R'm	2023 R'm	2022 R'm
OPERATING ACTIVITIES					
Cash generated by operations	4 407,4	3 985,8	3 778,3	3 079,7	2 999,4
Interest paid	(196,1)	(236,8)	(199,3)	(198,9)	(115,5)
Taxation paid	(931,0)	(892,4)	(910,2)	(697,4)	(648,4)
Net cash available from operating activities	3 280,3	2 856,6	2 668,8	2 183,4	2 235,5
INVESTING ACTIVITIES					
Cash flow from investments	5,0	10,1	14,8	8,0	4,6
Property, plant and equipment – net investment	(375,8)	(588,1)	(460,0)	(468,2)	(228,7)
Intangible assets purchased	(4,6)	(8,7)	(25,8)	(8,0)	(165,3)
Other movements in investments	(1,9)	22,0	(1,3)	(2,9)	1,2
Net cash used in investing activities	(377,3)	(564,7)	(472,3)	(471,1)	(388,2)
FINANCING ACTIVITIES					
(Decrease)/increase in short term funding	(658,6)	777,2	(471,9)	305,4	(213,4)
Lease liabilities repaid	(141,5)	(150,6)	(148,3)	(147,2)	(158,1)
Payment to I&J BBBEE shareholders	(1,5)	(0,6)	–	(34,8)	(11,0)
Dividends paid	(2 191,2)	(2 975,4)	(1 709,8)	(1 538,7)	(1 473,2)
Net cash used in financing activities	(2 992,8)	(2 349,4)	(2 330,0)	(1 415,3)	(1 855,7)
(Decrease)/increase in cash and cash equivalents	(89,8)	(57,5)	(133,5)	297,0	(8,4)
Cash and cash equivalents at beginning of year	294,5	352,9	494,9	191,4	194,1
	204,7	295,4	361,4	488,4	185,7
Translation of cash equivalents of foreign subsidiaries	2,1	(0,9)	(8,5)	6,5	5,7
Cash and cash equivalents at end of year	206,8	294,5	352,9	494,9	191,4

SUSTAINABLE DEVELOPMENT REPORT



Introduction and overview

Sustainable development enables corporate citizens to prosper in a responsible manner and within a framework that safeguards both their and future generations' long-term sustainability. It requires the identification and active management of those issues that could materially affect the long-term successful existence of the enterprise in the context of all stakeholders – including, not exhaustively, shareholders and institutional investors, consumers, employees, customers, suppliers, government, unions, and local communities.

AVI Limited ("the Company") has a well-constructed governance framework that enables it to identify and manage material sustainability issues. The Company operates in a manner that ensures that the needs of the present generation of stakeholders are met without compromising future generations. Sustainability matters are monitored and managed, for example, by the appropriate diversity committee, health and safety committee, internal review committee, audit and risk committee, or social and ethics committee, while the overarching responsibility for matters before these committees remains vested with the Company's board of directors ("Board"). Sustainability matters that are deemed to be of a material nature, or that require heightened focus, are elevated to the Board. Executives within the Company remain responsible for specific matters and are held accountable for their successful implementation and management.



Leap 1 AVI Students, Liskahanya and Yoto



Domino Foundation – Happiness Zulu – Preloved jungle gym installation



NSRI – Medical evacuation

The Company considers its sustainability responsibilities under three broad categories:

1. Ethics

Ethics are the foundation of an effective and sustainable organisation that must operate without censure or compromise over the long-term. Proper ethics and appropriate values are central to the Company's culture and therefore to the behaviour of its employees. They assist in establishing a willingness to accept and respond to broader issues in our society, forming the basis of the Company's interactions with its stakeholders.

2. Scarce resources, biodiversity, and environmental

In order to ensure that future generations have access to the resources on which the Company is reliant, and that the Company's viability is not compromised in the long-term, the Company is intent on carefully managing those scarce resources relevant to its operations, where practical, and ensuring that its operations do not detrimentally impact vulnerable and/or endangered natural habitats, wildlife, or local communities. The Company is committed to the application of sustainable practices across its operations.

3. Transformation and good corporate citizenship

The Company recognises the moral, social, and economic imperatives to embrace and support transformation in South Africa and to be regarded as a valuable participant in the South African economy and society. The Company also recognises the need to be, and to be seen as, a good corporate and socially responsible citizen that it is desirable to do business with.

The Company endorses the principles set out in the Constitution of the Republic of South Africa, 1996 (including, without limitation, the Bill of Rights in Chapter 2), the International Labour Organisation ("ILO") Labour Standards, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct ("OECD Guidelines"), the UN Universal Declaration of Human Rights, the UN Global Compact, the UN Convention on the Rights of the Child (as amplified in the UNICEF Children's Rights and Business Principles), the UN Guiding Principles

on Business and Human Rights, and the UN Sustainable Development Goals, as meaningful frameworks for achieving best social, governance, and environmental practices and outcomes. The Company is committed to responsible business conduct in every aspect of its operations with a view to contributing to economic, environmental, and social progress and achieving sustainable development. The Company is committed to cooperating with relevant stakeholders towards the same end.

Guiding framework

The Company has taken note of the implementation of the King V Report on Corporate Governance for South Africa 2025 ("King V report"), the provisions of which are applicable to the Company from the start of the 2027 financial year and thus from 1 July 2026. Whilst this report is accordingly still aligned to the King IV Report on Corporate Governance for South Africa which applied to the Company for the 2026 financial year, the Company has done a comprehensive review of the King V report and is comfortable that the Company's current policies and practices are materially aligned thereto. It is not anticipated that any material changes will need to be made but any changes made will be reported on in 2027.

The following guidelines and/or standards were consulted when compiling this report:

- The King IV Report on Corporate Governance for South Africa, 2016 ("King IV report");
- The Listings Requirements of the JSE Limited ("Listings Requirements") (as amended in February 2026);
- The JSE Responsible Investment Index criteria;
- The Global Reporting Initiative ("GRI") framework;
- The Task Force on Climate-related Financial Disclosures; and
- The Task Force on Nature-related Financial Disclosures.

While the King IV report and Listings Requirements require the Company to prepare an integrated report, various other reporting frameworks deal with sustainability reporting criteria. The GRI framework and JSE Responsible Investment Index have been identified by the Company as appropriate reference frameworks for reporting on these issues based on the Company's specific needs, its areas of operation, and stakeholder concerns.

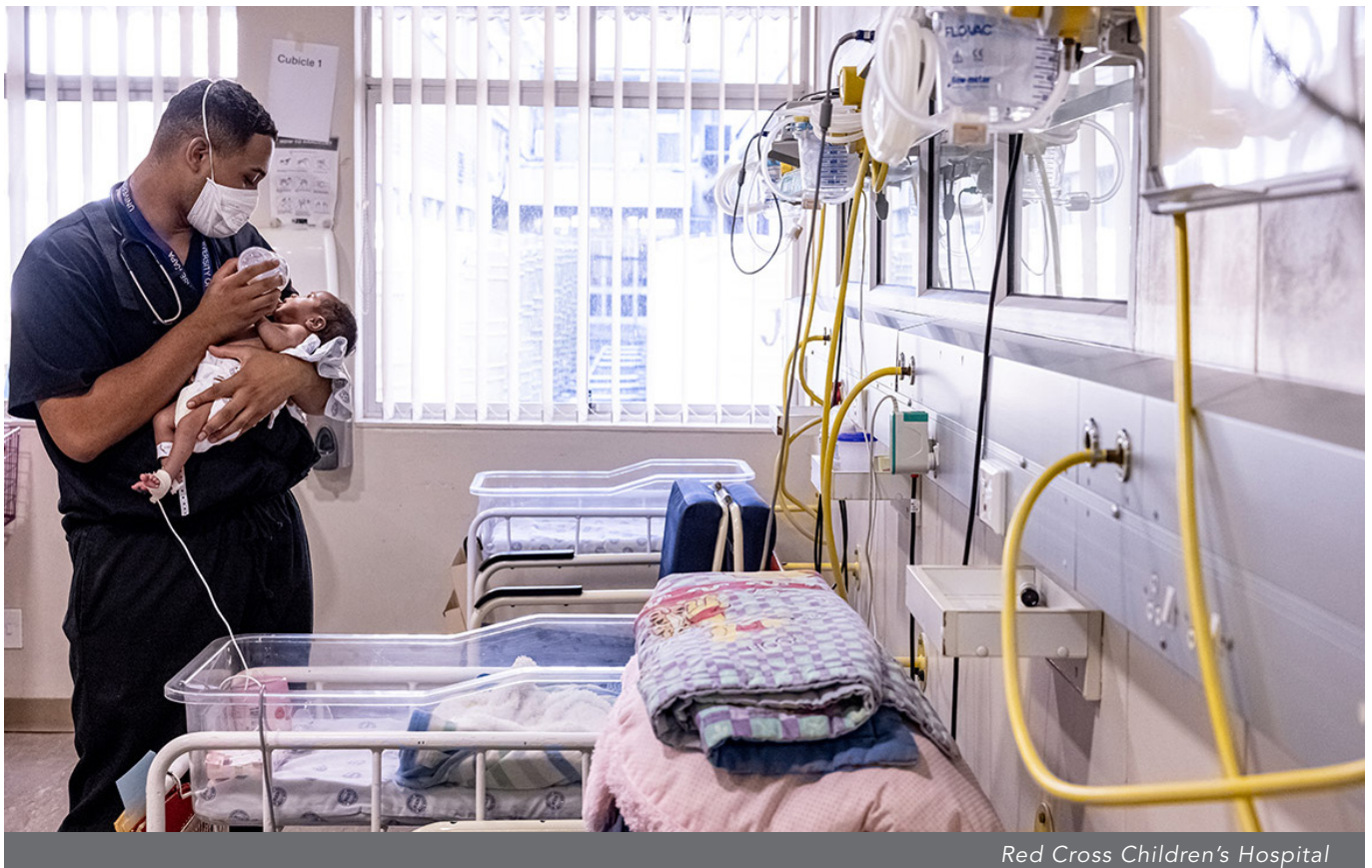
SUSTAINABLE DEVELOPMENT REPORT continued

During the year, the Company identified material Group-wide issues for reporting purposes and an index indicating where these issues are referenced throughout this annual report can be found on page 81. While these issues have been categorised according to the GRI framework, the Company has not undertaken a detailed self-assessment nor been externally assured, and the decision to use the GRI and JSE Responsible Investment Index frameworks for guidance in compiling this report is not intended to declare compliance as understood in either framework but rather to provide the Company with a basis on which to determine the material topics for reporting.

The Company remains committed to ongoing review and re-assessment of the scope of its reporting, as well as to regular consideration of the advisability and need for formal reporting or assessment against the accepted frameworks. To this end the Company regularly considers whether the GRI framework remains the most appropriate reporting framework for the Company. The Company has been requested to consider whether reporting in terms of the Carbon Disclosure Project ("CDP") would be more appropriate. In 2004, when the Company first adopted comprehensive environmental, social, and governance ("ESG") reporting, the CDP was still in its early days and the questionnaire only asked companies to report on carbon emissions. On the other hand, the GRI guidelines, first published in 2000, introduced one of the world's most widely adopted reporting standards and provided a much broader framework for ESG reporting.

The Company therefore decided to adopt the GRI guidelines as an appropriate framework on which the Company's broader ESG reporting is still based. The Company is of the view that the GRI guidelines remain relevant across all material ESG reporting issues and the Company's current reporting on these issues is extensive. Whilst the Company appreciates that the CDP questionnaire has, to a large extent, become the preferred reporting standard for ESG matters, the Company remains of the view that the GRI guidelines enable the Company to provide stakeholders, including shareholders, with a comprehensive view of the Company's business and its ESG goals, objectives, and outcomes, by which its executives and senior management are measured for purposes of their individual KPIs as these pertain to remuneration in general and, in particular, to both short- and long-term incentives. It is the Company's view that reporting against both the GRI and the CDP standards would be a duplication of effort and that this would merely increase the already heavy cost of compliance without bringing any further benefit to the Company or its stakeholders. The Company is always open to engaging with stakeholders on ESG matters to ensure that stakeholders are fully informed.

Disclosures on the Company's approach to managing the matters relating to the Company's sustainability can be found throughout the report either as an introduction to the relevant sections or as specific disclosures on relevant issues.



Red Cross Children's Hospital

Stakeholder engagement

Stakeholder engagement is an important aspect of the Company's sustainability responsibilities, and it formally identifies and recognises material stakeholders with legitimate interests with whom it engages on relevant issues. Engagement with these stakeholders takes a variety of forms, depending on the matter at hand, and may vary in frequency.

Where key topics and concerns are raised through such stakeholder engagements, the Company responds to the relevant stakeholders in a variety of ways, including directly or through its annual reporting. The table below lists the more obvious stakeholders and provides examples of the nature of the engagements that the Company has with them.

Stakeholder type	Nature of the engagement
Shareholders, analysts and media	• Annual General Meeting at which shareholders have an opportunity to vote on material resolutions, including the appointment and remuneration of directors, and the remuneration policy and implementation report • Distribution of information via the website, including financial, brand, governance, social, ethics, and sustainability matters • Press releases and SENS announcements • Formal presentation of the half year and final financial results to the investment community • Integrated Annual Report • Interviews and media briefings • Scheduled bi-annual meetings with analysts • Ad hoc meetings with analysts and investors, both locally and overseas, as required • Meetings to resolve queries on specific matters as required
Customers and consumers	• Daily contact in own and customers' stores • Meetings • Consumer and product research • Marketing campaigns • Websites and social media platforms • Customer care and complaint lines • Customer audits
Employees and employee representative bodies (including unions)	• Intranet and published newsletters or notices • Bi-annual presentations by the Chief Executive Officer to the executive community • Presentations and written communication (e.g. newsletters and posters) on material issues and regulations affecting employees • Conferences and general staff meetings • Performance appraisals • Union representative forums • Workplace forums such as the employment equity and learning and development forums • Industry relevant Sector Education and Training Authorities • Independent anonymous reporting hotline • Intranet-based incident reporting system • Ad hoc events
Suppliers	• Product conferences • Visits and meetings • Participation in manufacturing improvement projects and legislation compliance teams on matters such as waste management • Supplier audits • Senior operational and procurement staff day-to-day interactions
Communities and non-profit organisations	• Corporate social investment programmes • Workplace learning and development programmes for unemployed learners • Partnerships and sponsorships • Ad hoc community engagements in surrounding communities, including Company-sponsored employee volunteer days

Stakeholder type	Nature of the engagement
Business associations	• Participation in or membership of numerous associations such as Accelerate Cape Town; the Consumer Goods Council of South Africa; a number of fishing industry associations including the South African Deep-Sea Trawling Industry Association, the Patagonian Toothfish Industry Association, the South East Coast Inshore Fishing Association, the Responsible Fisheries Alliance, the World Wildlife Fund's Southern African Sustainable Seafood Initiative, the Abalone Farmers' Association of South Africa, and the South African Midwater Trawling Association; the South African Association for Food Science & Technology; the Restaurant Association; the Specialty Coffee Association of South Africa; the Cosmetic, Toiletry & Fragrance Association of South Africa; the Aerosol Manufacturers' Association; the Institute of Packaging SA; the South African Rooibos Council; the Industrial Gas Users Association of South Africa; GasHub; the South African Association of Freight Forwarders; and the Responsible Packaging Management Association of Southern Africa • Participation in association initiatives • Membership of Product Responsibility Organisations in the packaging industry, including Metpac, Polyco, The Glass Recycling Company, and Fibre Circle
Government or regulators	• Regular contact with relevant industry and government bodies, such as the Consumer Goods Council; Business Unity South Africa; The National Regulator for Compulsory Specifications; the Abalone Export Council; the SA Maritime Safety Authority; Transnet National Port Authority; the Department of Health ("DoH"); the Department of Agriculture, Land Reform and Rural Development ("DALRRD"); the Department of Trade and Industry; the Department of Forestry, Fisheries, and the Environment; and, the Department of Employment and Labour, to contribute to the development of sensible and sustainable legislation and regulations • Participation in industry or government crisis management teams

Ethics and compliance

The Company has a well-established and comprehensive Code of Conduct and Ethics ("the code") that applies to all directors and employees and provides clear guidance but without limitation, on what is considered to be acceptable conduct. The code requires all directors and employees to maintain the highest ethical standards and ensure that the Company's affairs are conducted in a manner which is beyond reproach. The code is communicated to all new employees as part of their induction training, is published on the intranet for access at all times by employees and is published on the external Company website for public access (<https://www.avi.co.za/code-of-conduct-ethics/>).

The code is aligned with the recommendations in the King IV report, the ILO Labour Standards, the OECD Guidelines, and the United Nations Universal Declaration of Human Rights, and is regularly reviewed to ensure that it remains up to date and relevant. In order to obtain a fuller picture of the Company's commitment to the issues addressed in the code, stakeholders are encouraged to access and read the code.

In order to monitor ongoing compliance with the code, the Company has a formal governance framework. Within the governance framework, material issues are highlighted in management reports that are reviewed by the operating executives. If appropriate, matters are elevated to the Company's Board or Audit and Risk Committee. This formal framework is supported by the Company's internal audit function, which is responsible for investigating identified areas of concern and reporting its findings to the Company's Chief Financial

Officer and the Audit and Risk Committee. The Company subscribes to an independent, professional hotline disclosure service as an important component of an ethical environment. This service facilitates confidential reporting on corrupt activities and other unethical conduct. Communication drives are undertaken from time to time to remind employees of this "whistleblowing" service. In addition, the Company has implemented an in-house intranet-based incident reporting service that requires employees to report incidents, or potential incidents, which have caused or could have caused harm to the Company's property, or people on the Company's premises. A senior employee actively manages the incident management reporting system and also engages with the ethics hotline service providers. All anonymous reports and other reported incidents are reviewed on a daily basis, and, if appropriate, thoroughly investigated. The Company has a proven record of dealing appropriately with matters arising from the ethics hotline and incident management reporting systems. Investigations and disciplinary hearings have been held and, where appropriate, civil and criminal action has been taken. Breaches of applicable laws or relevant codes by suppliers may result in termination of the business relationship with them, and/or civil and criminal action being taken.

The Company is compliant with the provisions of the Protection of Personal Information Act, 4 of 2013, in that all appropriate policies, consents, and security safeguards for the lawful processing of personal information are in place. The Group Chief Executive Officer is appointed as the Information Officer and registered with the Information Regulator.

The Company's manual in terms of the Promotion of Access to Information Act, 2 of 2000, and privacy policies can be found on the AVI and all other Group company websites.

There were no substantiated cyber breaches during the reporting period and no complaints concerning breaches of customer or supplier privacy and/or loss of customer and/or supplier data were received from external sources or from the Information Regulator.

In accordance with amendments made to the Financial Intelligence Centre Act, 2001 ("FIC Act"), in 2021, the Company has a Group Risk Management and Compliance Programme ("RMCP"), which is applicable to all Group companies meeting the requirements to be "accountable institutions". Ultimate responsibility and accountability for compliance with the FIC Act rests with the Company's Board but responsibility and accountability for implementation of and compliance with the RMCP is delegated to the managing directors of the Group companies. The Finance Shared Services division has been appointed as the necessary compliance function, with the head of Finance Shared Services being the person with sufficient competence and seniority to ensure the effectiveness of the compliance function. The FIC Act seeks to combat money laundering activities, terrorist financing activities, and proliferation financing activities, and to impose certain duties on institutions and other persons who might be used for such purposes. The Group companies have done the required risk assessments, implemented enhanced risk mitigation and customer due diligence processes, and complied with Directive 8 of 2023 in respect of screening of employees for competence and integrity and scrutinising of employee information against targeted financial sanctions lists as a money laundering, terrorist financing and proliferation financing control measure. All affected Group companies have also registered with the Financial Intelligence Centre and filed their annual risk and compliance reports in terms of Directive 7 of 2023.

In addition to the formal ethics framework, it is imperative to promote a culture that is consistent with the ethical values that the Company aspires to. This is achieved through the example set by the Board and executive management, consistent enforcement of these values, and the careful selection of employees that display the desired attributes and values. The Company continues to communicate formally with suppliers and customers to secure their support for and compliance with its ethical standards and has a published Group Supplier Code of Conduct, which code is compulsory for all suppliers of goods or services to

the Group (<https://www.avi.co.za/>) ("supplier code"). More details regarding the supplier code and compliance therewith, are contained in the section of this report titled "Supply Chain". In order to obtain a fuller picture of the Company's commitment to the issues addressed in the supplier code, stakeholders are encouraged to access and read the supplier code.

The Company is committed to conducting its activities in a manner consistent with all applicable competition laws and regulations. The Company cooperates with the competition authorities as and when required, providing responses to requests for information as promptly and completely as practicably possible.

No legal actions were pending or completed during the reporting period regarding anti-competitive behaviour or violations of abuse of a dominant position in which the Company (or any of its subsidiaries) were identified as a participant.

The Company is an apolitical enterprise and its funds, goods, or services may not be used as contributions to political parties and/or their candidates and/or unions and/or union officials, and the Company's facilities may not be made available to political candidates and/or union officials or their campaigns (other than as specifically provided for in formal recognition agreements between the Group companies and trade unions). No financial or in-kind political contributions were made by the Company, directly or indirectly, in any country in which it operates.

The Company's approach to tax is to always ensure that it remains compliant with applicable tax laws in the jurisdictions in which the Company and its subsidiaries operate, while ensuring that the Company sustains shareholder returns. The Company's integrity and reputation as a good corporate citizen remains important and is embodied in the Company's approach to corporate tax compliance. The Company has a Group tax function which is overseen by the Group Chief Financial Officer and provides support to underlying subsidiary tax functions, is responsible for various aspects of tax compliance across the Group and ensures that the Company remains abreast of the changing tax landscape. When necessary, external experts are consulted to support the Company's internal capabilities and address areas of concern. Adherence to tax requirements, the current status of submissions, and outcomes from revenue authority audits, together with other pertinent tax matters, are reported to subsidiary internal review committees and, if required, are escalated to the Group Audit and Risk committee. The external auditors also conduct annual independent audits of the Company and subsidiary compliance. The Group's effective tax rate for 2026 is 27,40%.

Scarce resources, biodiversity, and environmental

Fishing resources

One of the Company’s primary exposures to scarce resources that could materially impact its business is the sustainability of fishing resources (primarily deep-water hake) in South African territorial waters. I&J currently has long-term hake fishing rights at a level that can support economic returns provided that the resource remains at sustainable harvest levels.

Following the 2020/2021 Fishing Rights Allocation Process and subsequent appeals, I&J was successful in securing 29,45% of the “Hake Deep Sea Trawl Total Allowable Catch (“TAC”)”, representing a 5,0% reduction against the previously held rights. This, together with the Hake Inshore Trawl rights represents 25,8% of the total Hake TAC.

I&J holds long-term fishing rights in the Hake Inshore Trawl, Patagonian Toothfish, and Horse Mackerel sectors, secured by means of the 2015 Fishing Rights Allocation Process and which remain in place until the end of 2031.

The health of the South African fishing resource is managed by the Department of Forestry, Fisheries and the Environment (“DFFE”). The DFFE sets an industry-

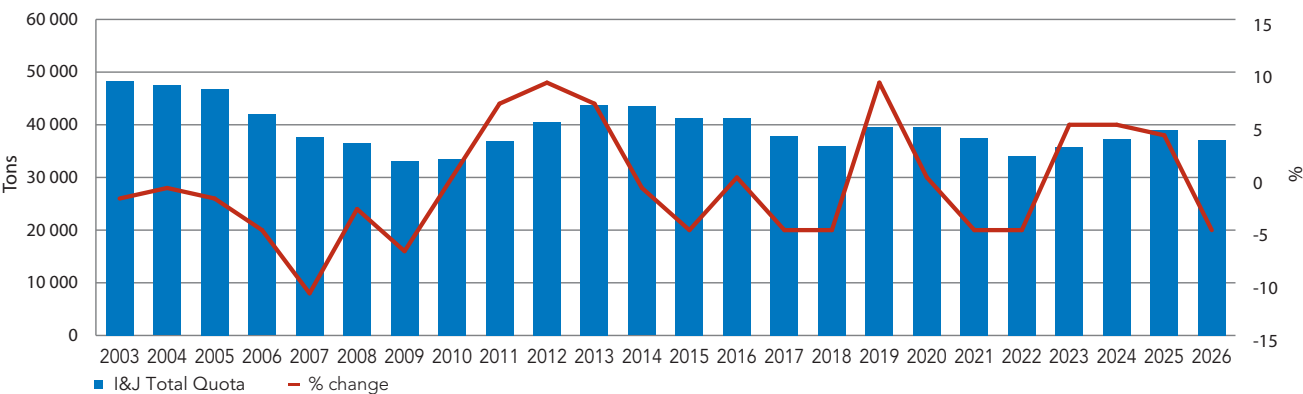
wide annual TAC based on scientific advice and stock assessments for each species under management, and for certain species, also sets a “total allowable effort” in which a limit is placed on the number of boats, number of men, and the number of days per year that each boat is licensed to fish. In addition to the TAC, hake trawling sector effort limitations apply which seek to ensure that the capacity of the deep-sea trawling fleet does not grow too big for the available resources.

Hake TAC levels are determined using a conservative, science-based approach that incorporates catch data from industry and annual biomass surveys conducted by the DFFE. These surveys are carried out by DFFE scientists using government or chartered research vessels.

Changes in the TAC can directly affect the volume of fish available to I&J and therefore have a significant impact on revenue, profitability, and asset utilisation. Consequently, the sustainability of the hake resource and the effectiveness of the DFFE’s fisheries’ management process remain critical to the long-term performance of the business.

The following graph shows the I&J quota (representing a portion of the TAC) over an extended period, with movements tracking the performance of the hake resource over time:

I&J QUOTA 2003 to 2026



Recent years have seen an increase in the proportion of smaller hake in I&J’s catch, which has negatively impacted freezer catch rates and land-based processing efficiency. Whilst this trend presents short-term operational challenges, it is a natural part of the biomass cycle and indicative of strong recruitment – a positive sign for long-term sustainability.

Environmental conditions, including ocean temperatures and weather patterns, continue influencing fish availability and catch rates. Although storm frequency has not increased significantly off the South African coast, storm intensity has risen, with higher wave heights and wind speeds being recorded. These conditions, while not necessarily detrimental to biomass, do impact fishing operations.

I&J is committed to responsible fisheries’ management and plays a leading role in initiatives aimed at protecting South Africa’s marine resources and ensuring the long-term sustainability of fish stocks for future generations. Key accreditations and sustainability initiatives include:

- Fishing Information System (“FIS”) since 2014: I&J operates a proprietary Fishing Information System, which has been in place for more than 10 years. The system monitors vessel activity in near real time, enabling effective oversight of fleet operations, catch reporting, and compliance with Marine Protected Areas. This capability supports responsible fishing practices and regulatory compliance across the fleet.
- Certification by the Marine Stewardship Council (“MSC”) since 2004: The MSC is a global organisation that works with fisheries, seafood companies, scientists,

conservation groups, and the public to promote sustainable fishing. Its fishery certification programme recognises and rewards sustainable fishing. In 2021 the South African hake fishery was recertified for the fourth time, based on the latest certification standard released by the MSC, providing assurance to buyers and consumers that the fishery is well-managed and sustainable, which is increasingly relevant to I&J's customers and consumers. Annual surveillance audits are conducted by independent, MSC-accredited certification bodies, with full recertification required every four years. In addition, I&J subscribes to the MSC chain of custody programme that ensures that the final product is labelled and traceable back to source.

- **Responsible Fisheries Alliance ("RFA"):** In 2009 I&J joined the global conservation organisations WWF, BirdLife South Africa, and other local fishing companies to form the Responsible Fisheries Alliance. The objective of the RFA is to ensure that all stakeholders understand and support the implementation of an Ecosystem Approach to Fisheries ("EAF") management in South Africa's fisheries. EAF seeks to protect and enhance the health of marine ecosystems. The goals of the RFA include promoting and funding research into responsible fisheries' practices, influencing policy on fisheries' governance, and supporting skills development and research in the industry.
- **Operational Management Procedure ("OMP") and TAC:** The South African Hake Trawl Fishery was one of the first in the world to implement an OMP for hake, which sets the TAC and determines how it is calculated using scientific methods and data. This is achieved and enforced through partnering with the DFFE, which appoints a number of scientific working groups to formulate research advice.
- **Ring Fence Initiative:** In 2006 I&J and other members of the South African Deep-Sea Trawling Industry Association agreed to a ring-fence area of the known historical trawling grounds (4,5% of the Exclusive Economic Zone ("EEZ")) in order to protect any non-trawled seabed areas.
- **Marine Protected Areas ("MPA") and Seabed Management Areas ("SMA"):** In 2018 20 MPA were declared in the EEZ, and in 2025 10 SMAs were identified in partnership with the South African National Diversity Institute to preserve unique ecosystems within and outside the hake trawl footprint.
- **Responsible By-Catch Management and Endangered, Threatened, and Protected ("ETP") and Vulnerable Marine Ecosystem ("VME") protection:** I&J recognises that certain species of conservation concern may be incidentally caught as unavoidable by-catch during fishing operations. Whilst complete avoidance is not always possible, the Company is committed to minimising impacts on these species through a comprehensive By-Catch Management Plan. This includes the implementation of best-practice mitigation

measures, independent third-party observer programmes and self-reporting systems designed to monitor and reduce interactions with ETP species and VMEs.

- **Certification by the Aquaculture Stewardship Council ("ASC"):** I&J's Aquaculture Division achieved recertification of the Farmed Abalone operation in 2025. Similar to the MSC, annual surveillance audits are conducted by independent, ASC-accredited certification bodies, with full recertification required every three years. ASC certification proves I&J's commitment and compliance to sustainable farming practices. This certification is valid until 2028.

Water

Water is, and always will be, a scarce resource throughout South Africa. There is no region in South Africa where water stress is not a priority problem and responsible water stewardship is becoming increasingly important to manage local and global water challenges in the interests of all water users. South Africa experiences water issues owing to a number of factors, including but not limited to, excessive use, growing demand, pollution, thirsty invasive plants, inadequate and aging infrastructure, technical skills shortages, governance instability, insufficient investment, and poor practices. Despite an adequate water supply, millions of households continue experiencing water interruptions and the quality of water supply remains a significant risk for many more, according to the Blue Drop Report by the Department of Water and Sanitation. Poor municipal performance hampers the performance of vital economic sectors and plays an increasing role in business confidence, particularly in Gauteng where "water shedding" has become a feature of some of the largest municipalities, such as Johannesburg and Ekurhuleni. There is no single solution to the problem and potential shortages, interruption of municipal supply, and quality of water have been identified as risks at most of the Company's facilities. The Company has invested substantial time and money to mitigate these risks, including using purified borehole water, installing back-up water tanks, recycling condensate and effluent, installing a desalination processing plant at I&J, and taking action to measure and better manage water consumption. Water usage management plans can include measuring water usage to identify saving opportunities, optimising equipment to reduce evaporation, replacing fixtures with water-efficient fixtures, using waterwise landscaping and irrigation, and recovering condensate. The Company is acutely aware of the need to not only manage the risks associated with water shortages, but also to manage the resource as a whole, which includes understanding water risks and challenges, having and implementing plans to ensure sustainable and responsible water use, measuring and evaluating outcomes, reporting to and engaging with stakeholders.

SUSTAINABLE DEVELOPMENT REPORT continued

Details of the Group's water usage across all sources are included in the environmental indicators table on page 46. Water consumption has remained fairly constant, which is reflective of the Company's efforts to manage this valuable resource.

I&J in particular is highly dependent on potable water to produce ice for fishing operations as well as for the processing of fish, and the cleaning of both the Woodstock Primary Processing and the Paarden Island Value Added Processing facilities. I&J has implemented a number of water-saving initiatives, resulting in a reduction in usage of municipal water of approximately 80% since F16. In 2017/2018 and in view of the drought in the Western Cape and the risk of significant water supply restrictions in Cape Town, I&J engaged with both local government and water specialists to assist in investigating alternatives with a view to securing a supply of water sufficient to maintain operations into the future. To this end, a substantial investment in producing potable water from non-potable ground water and a desalination process have been installed, both of which have assisted substantially in the reduction of I&J's dependence on municipal water. I&J initiatives planned for F27 include the installation of electronic water flow meters for improved monitoring and control of water at the Woodstock Primary Processing site, optimising cooling towers and condenser water chemical cycles, and optimised factory cleaning and washing practices.

Indigo Brands maintained its water-saving initiatives previously implemented, including water metering and monitoring, a water-wise garden, and a chlorine dosing system installed in the potable water reticulation system after tests showed a lack of free chlorine in the municipal water supply. Over and above the current back-up water storage tanks, Indigo Brands will rely on potable water transported from the I&J water purification plant in the event of municipal supply interruptions and, to strengthen water security, an offloading point is being installed in order to receive water from I&J. In addition, there are plans to potentially add an additional 179 cubic meters of potable water storage as part of the Indigo Brands distribution centre fire water tank upgrade. Indigo Brands will also investigate the feasibility of purifying water from on-site boreholes as a potential supplement to the potable water supply.

Persistent water outages in the Isando area continued during F26, impacting all the factories and distribution centres in the area, despite both the Isando Coffee and Creamer factory and the Isando Biscuit factory having back-up water supplies, with additional tanks having been installed at the Isando Biscuit factory during F25. The Ciro Isando distribution centre was incorporated into the AVI Isando distribution centre towards the end of F25 and the Ciro KwaZulu-Natal distribution centre was incorporated into the AVI Redhill distribution in March 2026. This, together with other water-saving measures, resulted in a reduction of approximately 3,5 million litres in Ciro and Logistics Support Services combined total water use for F26.

Applications for the installation of boreholes at the Isando Coffee and Creamer factory and the Isando Biscuits factory were granted in February 2026.

Applications for the issuing of water use licenses for the Isando and Westmead Biscuit factories, the Isando Coffee and Creamer factory, the Rosslyn Snacks factory, and the Bryanston office, are still in progress. Water extracted from the boreholes for production use or human consumption is purified through cartridge filtration or reverse osmosis, and disinfection to acceptable SANS:241 standards by on-site water treatment plants. Water treatment plants are in place at the Isando and Rosslyn factories. The installation of a water treatment plant at the Westmead Biscuit factory is expected to be completed by H2 F27. All of the National Brands' factories have adequately sized water tanks for the sites' potable and fire water requirements. The water treatment plants have the ability to treat any out-of-specification municipal water.

Energy

The extreme energy shortages experienced in South Africa over the past years highlighted the need for the Company to be more self-sufficient and to make energy conservation a priority. The subsidiary companies implemented numerous energy-saving initiatives to manage energy use, and, at the same time, generators were installed at most of the Company's facilities to ensure continuity of supply. The generator installations across the Group ran for a total of 1 298 hours in 2026, against 3 098 hours in 2025. Unfortunately, given the unpredictability of electricity generated and available for distribution in South Africa, as well as the failing state of municipal infrastructure, generators remain an essential feature of business. The generators help to sustain production throughput and customer service levels through periods of unpredictable supply and repeated load-shedding, albeit at an increased cost and increased diesel usage.

Details of the Group's energy usage from all sources are included in the environmental indicators table on page 46. Energy consumption has remained fairly constant, which is reflective of the Company's efforts to manage this resource.

Where viable, the Company has also installed solar power at certain sites, including its Illovo and Bryanston office blocks and the Isando Distribution Centre, to not only mitigate the impacts of load-shedding but also to try and replace or, at least, supplement electricity supply from the main grid and reduce the Company's overall reliance on fossil fuel-based energy sources, including supply from the main grid and generators. Solar panels will be installed at I&J Danger Point in the new financial year with a power purchasing agreement ("PPA") being entered into. Similar arrangements are also being explored at the Isando Biscuit factory and Indigo Brands and will be investigated for expansion across the rest of the Group as appropriate. National Brands and Indigo Brands have already appointed NESA Power to design appropriate solar PV systems. The design is expected to

be completed in Q1 F27. Solar power is not, however, always suitable for industrial facilities given the large inductive loads and limited roof space. To operate a factory using solar would require a significantly oversized solar installation to ensure sufficient generation even during the winter months, and large batteries, which is neither feasible nor financially viable. Typically, a factory can benefit from a solar system providing between 20-50% of a factory's annual electricity needs without the need for a battery, which could increase the self-sufficiency of a site depending on the profile of consumption. Ideally, factory solar systems work well to supplement grid supplied electricity, particularly when onsite solar generation is not providing energy e.g. at night. The subsidiary businesses continue exploring opportunities and solutions for more environmentally friendly energy sources, including consideration of wheeling arrangements.

The integration of the Ciro Isando distribution centre into the AVI Isando distribution centre at the end of F25 and the Ciro KwaZulu-Natal distribution centre into the AVI Redhill distribution centre in March 2026, combined with other energy-saving measures, resulted in a reduction of approximately 432 000 kWh in Ciro and Logistics Support Services combined total electricity use for F26.

Whilst the Company is not a large-scale gas user, natural gas is one of the energy sources used by the Company. The projected sharp decline in natural gas supply to South Africa from Mozambique by July 2028, poses a challenge to not only the Company but to South Africa's energy security as a whole. As a member of the Industrial Gas Users Association of South Africa and GasHub the Company is part of a coordinated action to mitigate the expected decline in natural gas supply.

Details of other specific energy-related projects implemented and planned throughout the Group are included later in this report under the section on environmental practices.

Biodiversity

South African biodiversity includes a wide variety of natural resources. Despite its relatively small land surface area, South Africa is home to 10% of the world's plant species, many of which are endangered and vulnerable. The loss and degradation of South Africa's biodiversity have serious implications for society and the economy. Large portions of the country's economy are dependent on biodiversity, including the fishing industry and agriculture based on indigenous species.

- I&J's Danger Point abalone farm is situated immediately adjacent to the sea and is the Company's only property in or adjacent to an area of high biodiversity. South Africa's high energy coastline is generally unsuitable for offshore fish

farming and land-based aquaculture allows for better control over environmental factors so that the impact on the environment can be limited. Although abalone aquaculture has a relatively low impact on the environment, in order to minimise any potential harm, the global abalone farming industry, including I&J, has, together with the WWF, developed a set of standards. The Danger Point abalone farm has adopted the Global Abalone Standards and has been audited by the Aquaculture Stewardship Council ("ASC"). Accreditation was granted in November 2015 and has been renewed every three years since then, with the current certification valid until 2028. This eco-label is used to guarantee that I&J's abalone products are and continue to be raised in an environmentally responsible manner. The abalone processing plant located on the Danger Point abalone farm complies with all ASC, DFFE, FDA, FSSC 22000, and National Regulator Compulsory Specifications and standards.

- The Rooibos plant *Aspalathus linearis* is part of the Cape Floral Kingdom, commonly known as "fynbos". Rooibos is indigenous to the Cederberg Mountains around Clanwilliam. At the turn of the 19th century, it was common practice for the inhabitants of the Cederberg region to harvest the wild-growing Rooibos plants. The leaves and fine stems were chopped, fermented, and dried to be used in a variety of ways. In 1904 a Russian immigrant and descendant of generations of tea traders, introduced Rooibos to the wider world. By 1930 a local medical doctor and botanist had discovered the secret of germinating Rooibos seeds and, together with a local farmer, developed new cultivation methods on a larger scale along the slopes of the Cederberg Mountains. This is still the only place in the world where Rooibos is grown, and the European Commission has approved the registration of the designation "Rooibos/Red Bush" in its register of protected designations of origin and protected geographical indications. Rooibos is the first African food to receive the status of a protected designation of origin in the EU register. It is hoped that this registration will assist in sustaining the Rooibos industry and that higher consumption flowing from increased recognition will contribute to the preservation of traditional knowledge and further uplift small-scale farmers in the indigenous communities producing Rooibos.

The commercial farming and production of Rooibos have resulted in the establishment of a worldwide distribution network and medical science is starting to discover the many health benefits of Rooibos. In 2010 the South African San Council ("SASC") approached the DFFE requesting negotiations with the Rooibos industry in accordance with the National Environmental Management (Biodiversity) Act of 2004 ("NEMBA").

SUSTAINABLE DEVELOPMENT REPORT continued

In 2012 they were joined by the National Khoi & San Council ("NKSC") in seeking recognition as joint traditional knowledge rights' holders. Under the facilitation of the DFFE, these two parties met with the South African Rooibos Council for the first time in 2012 to start the process of negotiating an Access and Benefit-Sharing ("ABS") agreement for Rooibos. One of the fundamental principles of an ABS agreement is the fair and equitable sharing of the benefits arising from the commercial utilisation of indigenous biological resources.

After a long process of negotiations, a historic, industry-wide, ABS agreement was signed in 2019 between the SASC, the NKSC, and the South African Rooibos industry. The ABS agreement seeks to balance the interests of the indigenous communities and the sustainability of the industry and forms the basis on which these communities will access a percentage contribution from the sale of Rooibos. The ABS agreement ensures the Rooibos industry's compliance with South Africa's bioprospecting laws and regulations. The benefits generated are paid to the communities through two community trusts. These trusts are overseen by trustees selected from within the traditional communities and the local farming communities. Additional members may include independent legal advisors and representatives of the DFFE, the Department of Cooperative Governance and Traditional Affairs, and the Department of Science and Technology. The trusts are under the oversight of the Master of the High Court.

The ABS Agreement stipulates that benefits are gathered at one point in the value chain and that these will be paid by the processors as the Category A applicants. National Brands Limited is a Category B applicant and only buys Rooibos from Category A applicants with valid bio-trade/bio-prospecting permits, namely Cape Natural Tea Products (Pty) Ltd, Rooibos Limited, and Cape Rooibos (Pty) Ltd.

A total benefit of R42,7 million has been shared by the Category A applicants for the 2019 – 2024 volume years with the funds paid over to the Bioprospecting Trust Fund on an annual basis to, in turn, be paid over to the National Khoi and San Council and the South African San Council, as representatives of the traditional knowledge ("TK") holders. The industry is up to date with the TK levy payments. The administrative process for the 2025 volume levies is in progress and is expected to be concluded in Q1 F27.

Deforestation

- On a global scale, natural forests are among the most biodiverse habitats and are home to many people who derive their livelihoods from forest biodiversity. Large-scale industrial logging and monoculture plantations cause damage to natural forests and the current statistics on global deforestation remain concerning notwithstanding global efforts. According to the World Resources Institute Global Forest Review, more than 6 million hectares of primary rainforest were lost in 2024. Protecting these and other biodiverse

habitats must be a priority for all industries, not only in the interests of the environment but also for numerous social, economic, and ethical reasons. The Company is accordingly committed to understanding and implementing measures to address the issues related to deforestation that could arise as a consequence of the Company's operations, through the development and implementation of environmentally friendly, responsible, and sustainable procurement programmes for affected raw and packaging materials, namely palm oil, paperboard, cocoa, coffee and shoe boxes. According to the World Wildlife Federation Forest Pathways Report 2023, 50 million hectares alone supply just soy, palm oil, cocoa, and coffee.

- The Sustainable Forestry Initiative ("SFI") and the Forestry Stewardship Council ("FSC") are the two most recognisable and legitimate certifications in paper packaging, with FSC being the most demanding. Both the SFI and FSC certify forest management programmes according to their set principles and criteria, including sustainable harvest levels, conservation of biodiversity and old growth, protection of endangered species, protection of water quality, recognition of the rights of indigenous people, prompt reforestation, forest conversion, plantations, clear-cutting, chemical use, and genetically modified trees. The Company has implemented required FSC certification on all paper packaging. FSC has three product labels, namely FSC 100%, FSC Recycled, and FSC Mix. FSC 100% is wood that comes entirely from FSC-certified, well-managed forests; FSC Recycled is wood or paper that comes from reclaimed or reused material; and FSC Mix is wood that is from FSC-certified forests, recycled wood, or controlled wood. Whilst not FSC-certified, controlled wood cannot be: (a) illegally harvested; (b) harvested in violation of traditional and civil rights; (c) harvested in forests where high conservation values are threatened; (d) harvested in forests being converted to plantations or non-forest use; or (e) harvested in forests where genetically modified trees are planted.
- The Company is familiar with the EU Deforestation Regulation. In general, the Company's suppliers for affected products are global suppliers who need to ultimately conform to the EU Deforestation Regulation. The Company's suppliers are invested in ensuring that sourcing practices conform to relevant regulations and all carry various levels of certification and can validate this.
- South Africa faces a different problem regarding deforestation in that global climate maps wrongly mark Africa's vast savannas as "degraded" lands in need of trees. These are in fact not degraded lands but functioning, ancient, and living ecosystems. This includes areas such as the Kalahari Desert and the Kruger National Park. These are protected and well-studied savanna ecosystems and caution must be exercised in assuming that "tree restoration projects" are suitable for these types of ecosystems, which are in fact natural grasslands, which store carbon in the soil and roots. There are accordingly efforts in place to

actively prevent afforestation in non-forest ecosystems in order to avoid altering tree cover in carbon-rich grasslands that can result in severe soil organic carbon losses. Regrettably, following the Paris Agreement, open savannas were drawn into global maps, ignoring whether these areas were ever forests. Carbon credits from tree planting then unfortunately provide financial incentives to follow these maps.

- Whilst South Africa does have natural forests, these are rare, covering less than 0,5% of the country's land area, and primarily located in the Western Cape, Eastern Cape, and KwaZulu-Natal. These largely evergreen, protected forests are concentrated in coastal strips and mountain gorges, featuring species like Outeniqua Yellowwood and Milkwood. South Africa's natural forests are well protected under the National Forest Act. South African paper and board raw materials do not come from natural forests but rather from three primary sources: (i) sustainably managed timber plantations of eucalyptus and pine trees; (ii) recycled paper and packaging collected through the strong recycling economy; and (iii) sugar cane processing waste. The South African timber industry practices sustainable harvesting and replanting.
- Details of procurement programmes relating to affected raw and packaging materials, including details of the Company's suppliers and their accreditations, as well as details of recycling programmes, are set out in the environmental practices section below.

Environmental policy

The Company recognises that its use of natural resources has a socio-economic and physical impact on the environment, accepts responsibility for such impacts, and pursues responsible environmental and climate change practices. This involves:

- Reducing the Company's environmental impact and continually reviewing and improving the Company's environmental performance as an integral part of the Company's business strategy and operating methods;
- Compliance with applicable environmental legislation and relevant standards;
- Responsible environmental management of inputs (material, energy, and water) and outputs (emissions, effluents, and waste);
- Independent annual environmental audits at each manufacturing site that measure the impact the particular operation has on the environment and that review compliance with legislation and Company policy;
- Providing a framework for setting and reviewing objectives and targets;
- Ensuring that all employees understand the environmental policy and conform to the standards it requires; and
- Reporting in the Company's annual report on performance.

The Company's Board is responsible for the environmental policy and for ensuring that its principles are considered in formulating the Company's business plans. The Company's Chief Executive Officer and senior management are in turn responsible for the implementation of the business plans and communication of the policy. The Board has delegated the responsibility for monitoring compliance with the policy to the Company's Audit and Risk Committee, with responsibility for monitoring the Company's environmental activities and the impact thereof delegated to the Social and Ethics Committee.

Climate change

The Company remains committed to responsible management of applicable environmental matters, including those which impact on climate change and relate to responsible and sustainable environmental practices, such as greenhouse gas emissions; raw materials usage and recycling; resource usage and efficiency (including water and electricity); impacts on biodiversity; and emissions, effluents and waste management. In particular, the Company is aware that climate change will impact on natural resources and legislative changes that will affect the way the Company does business. The Company monitors relevant global and local legislation, regulations, and emission-reduction targets.

The Carbon Tax Act, 15 of 2019 came into effect on 1 June 2019. Carbon Tax is aimed at reducing greenhouse gas ("GHG") emissions in a sustainable, cost-effective, and affordable manner and gives effect to the polluter-pays-principle. The Company has licensed each of its affected facilities for environmental levy purposes and the relevant emissions are measured. Carbon Tax paid since implementation is reflected in the environmental data table on the following page.

The Climate Change Act, 2024, which became effective on 17 March 2025 establishes a legal framework in South Africa for the regulation of the impacts of climate change with the ultimate and aspirational goal of achieving net-zero by 2050. The most significant aspect of the Bill for the private sector is the framework for the regulation of greenhouse gas emitting sectors. Until the sectoral emission targets and carbon budgets are published the Company will continue measuring, monitoring, and reporting its emissions in terms of the National Greenhouse Gas Emission Reporting Regulations and paying its carbon tax in terms of the Carbon Tax Act, 2019. For now, the Company has noted the aspirational goals and the timelines and will monitor progress on the effective date of the Bill and implementation thereafter.

SUSTAINABLE DEVELOPMENT REPORT continued

As one of the top 20 highest global carbon emitter countries, the South African government has committed to reduce emissions, increase ambition, contribute to global efforts to curb emissions, limit warming to well below 2°C above pre-industrial levels, and to pursue efforts to achieve the 1.5°C temperature goal. Achieving this will require a rapid and significant decline in greenhouse gas emissions from electricity generation and transport combined with appropriate reductions in industrial process emissions, to be addressed through the Climate Change Act. A significant risk is, however, that Eskom will push for the premature decommissioning of coal-fired power stations before putting reliable and affordable alternatives into place. This could result in a return to loadshedding and undermine the government's commitment to growth and job creation.

Deindustrialisation in South Africa is already a problem, and it is hoped that imposing inflexible carbon reduction goals will not exacerbate the country's problems.

The Government's updated draft Nationally Determined Contribution ("NDC") is an update to South Africa's first NDC communicated under the Paris Agreement in 2016 and is underpinned by the Climate Change Act. The draft proposes downwardly revised GHG emissions targets for 2025 and 2030 based on an assessment of South Africa's "fair share" of global emissions in accordance with the latest science, and an assessment of the likely GHG emissions outcome of the implementation of current South African policies. The draft NDC also addresses a just transition framework, climate finance, and adaptation measures.

South Africa and, in turn, South African manufacturers, are highly dependent on fossil fuels for the generation of

electricity. This creates significant environmental risks to the climate and challenges for businesses operating in South Africa. Whilst the Company is committed to reducing emissions from its own operations, despite their low impact, and to supporting government's efforts to reduce emissions from electricity generation and transport, this will require structural changes and increased international climate finance. The Company has already started investing in solar energy systems and investigating other alternative energy sources, as reported on pages 42 and 47 and will continue doing so with a view to migrating to alternative energy systems, either wholly or partially, wherever possible.

Environmental data

Since 2012 the Company has been measuring, managing and reporting on certain identified environmental impact areas and a comparison of the measurements for the last five years is set out below. Whilst these indicators are helpful in understanding the Company's environmental impact on an annual basis, it must also be borne in mind that increases in water and energy consumption cannot be read in isolation as these increases are directly related to performance and output and do not necessarily reflect inefficiencies or abuses in the utilisation of such resources or a disregard for the need to manage natural resources. Increased factory output, which increases productivity and profitability, will naturally require increased water and energy consumption. As set out more fully elsewhere in this report, the businesses are continually looking for and finding ways to become more water and energy efficient:

Indicator	Unit	Carbon (kg)	Data				
			F26	F25	F24	F23	F22
1 Water consumption by source –							
1.1 Municipal	Litres	167 821	563 157 532	675 204 151	687 597 914	663 883 541	663 565 098
1.2 Ground water (borehole)	Litres	65 590	220 099 600	207 648 000	209 808 000	196 640 000	209 967 000
1.3 Other (desalinated)	Litres	65 274	18 387 103	17 217 720	22 421 000	24 541 000	20 943 500
2 Energy consumption by source –							
2.1 Purchased electricity	kWh	85 404 859	82 917 339	84 726 466	86 109 829	83 853 489	95 391 743
2.2 Coal	Tons	30 660 961	10 733	11 569	15 021	14 271	14 668
2.3 Petrol	Litres	1 551 992	554 283	680 786	583 559	682 703	539 099
2.4 Diesel	Litres	65 661 851	22 150 282	20 056 220	20 537 262	21 735 034	21 657 784
2.5 Liquified petroleum gas (LPG)	Litres	1 827 270	1 876 496	1 847 565	1 888 424	2 101 519	2 063 795
2.6 Natural gas	Cubic metres	6 302	2 308 441	2 488 011	2 570 571	2 802 749	2 835 133
2.7 Jet fuel*	Litres	189 090	63 030	553 331	518 663	513 815	502 912
2.8 Paraffin	Litres	3 364 037	334 412	330 845	372 884	343 832	411 389
2.9 Low sulphur diesel**	Litres	431 412	418 847	–	–	–	–
3 Carbon emissions for above indicators –		189 396 458					
3.1 Total carbon emissions	Metric tonnes	188 965	188 965	188 796	201 618	200 877	213 866
3.2 Carbon emissions per employee	Metric tonnes		23	23	24	23	25
4 General –							
4.1 Carbon tax paid	Rand		3 269 021	2 586 272	2 540 356	2 419 539	2 205 702
4.2 Generator running hours***	Hours		3 145	3 098	12 881	10 898	2 612
4.3 Energy generated by solar power	kWh		725 844	279 107	329 667		

* Previously included marine fuel (now low sulphur diesel reported on the following page).

** Previously marine fuel.

*** The hours for the Durban Tea Factory were restated for F25 from 99 hours to 234 hours to correct a measurement error.

To gain more insight into the material sources of the Company's carbon emissions, the following table reflects the total carbon emissions for just the manufacturing and fishing businesses over the past five years. There has been a slight increase in F26, mainly arising from increased diesel and low sulphur oil use at I&J following the addition of another fishing vessel:

Business	Total carbon emissions F26 (metric tonnes)	Total carbon emissions F25 (metric tonnes)	Total carbon emissions F24 (metric tonnes)	Total carbon emissions F23 (metric tonnes)	Total carbon emissions F22 (metric tonnes)
National Brands	68 223	70 572	83 827	80 749	83 171
Indigo Brands	2 954	3 315	3 207	3 937	3 843
I&J	105 815	102 763	102 015	102 960	113 741
NBL, Indigo, and I&J total	176 992	176 650	189 779	187 646	200 755
Total Group	188 965	188 796	201 615	200 877	213 866
NBL, Indigo, and I&J percentage of total Group (%)	94%	94%	94%	93%	94%

The most significant emissions arise from the use of purchased electricity (generated from fossil fuels), coal for coal-powered boilers, petrol, diesel jet fuel, and low sulphur diesel. Purchased electricity generated from fossil fuels is an area of priority for the South African government in terms of its commitment to reduce carbon emissions. South Africa still has a long way to go before it can successfully reduce its carbon footprint. Market indicators project the renewable energy share to reach around 19.3% of total energy consumption by 2029. If South Africa expects to fully transition to sustainable energy by 2050, solar plants will need to play a far larger role in the energy mix in the future, understanding, however, that energy from solar panels (or wind turbines) is always intermittent and necessitates substantial back-up systems. Back-up batteries have limited capacity, so most back-up systems remain dependent on fossil-fuel generators. For now, therefore, private industry remains largely dependent on purchased electricity generated from fossil fuels, supplemented by limited solar panel capacity.

The transition to alternative fuels and propulsion systems for fishing vessels has been the subject of research for some years. The main regulatory institution for the shipping industry is the International Maritime Organisation (IMO). IMO's international convention MARPOL (International Convention for the Prevention of Pollution from Ships) aims at preventing pollution of the marine environment due to operational or accidental causes. The convention sets limits on emissions and there are various options that can be considered for conforming to these limits, none of which are without their challenges. The measures include switching fuel types, installing exhaust gas treatment systems or exhaust reticulation, consuming less fuel, dual fuel engines, and hybrid propulsion. At I&J a switch from blended fuel

started in 2019 and all vessels are now on low sulphur diesel with a sulphur level below 50ppm. This change has ensured compliance with the IMO regulations. The change to low sulphur diesel has also done away with the need to install exhaust scrubber systems. Fuel reduction projects have been implemented over the past five years at I&J, but alternative fuels, dual fuel engines, and hybrid propulsion can all be considered on new vessel builds only as the retrofit to existing vessels would be far too expensive and time-consuming.

In addition to the key areas referred to above, the Company considers, on an ongoing basis, further areas of environmental impact for possible measurement and reporting, as well as new initiatives to mitigate environmental impacts of products and services, where relevant.

Environmental practices

During the year, the subsidiary companies continued their measurement and mitigation of detrimental environmental impacts. Some of the Company's activities and achievements include:

- Environmental management systems – All five of the National Brands' factories have both ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health and Safety Management System certification. The ISO 14001 environmental management system enables the factories to identify and control the environmental impact of their activities; continually improve their environmental performance; and implement a systematic approach to setting environmental objectives and targets, achieving these, and demonstrating that they have been achieved. I&J has the MSC's Chain of Custody Certification for sustainability in the fishing industry and the Aquaculture Stewardship Council Certification for sustainable abalone farming. In 2025 Indigo Brands completed a

SUSTAINABLE DEVELOPMENT REPORT continued

Stage 1 SGS audit for ISO 14001 and ISO 45001 and, following a review of its findings, Indigo Brands is proceeding with certification. The Stage 2 audit is planned for F27 H1 and certification targeted for the end of 2026.

- Energy conservation – The energy shortage, and global efforts to reduce greenhouse gas emissions, make conserving energy a priority for the Company. Projects in past years include:
 - Improving the efficiencies of production machinery, equipment and processes;
 - Installation of energy-efficient, lower power consumption, LED lighting solutions;
 - Installation of electricity meters for the measurement of electricity consumption and consumption patterns;
 - Demand Site Management Surveys by Eskom to enable the formulation of improvement plans;
 - Electrical load shifting where possible;
 - Installation of photovoltaic arrays;
 - Louvres to passively control heat gain;
 - Energy efficiency improvements of the refrigeration system at I&J Woodstock and server rooms;
 - An upgrade of the power factor correction to optimise energy demand at the Indigo Brands factory;
 - The use of timers to reduce unnecessary running time of air-conditioning units;
 - Motion detection for lights where feasible and in accordance with health and safety regulations;
 - Upgrading of the air compressors to include variable speed drive and heat recovery functionality in order to provide warm water for ancillary processes; and
 - Conversion to energy-efficient, lithium-ion pallet trucks.

Some F26 energy initiatives included:

- Finalisation of a power purchasing agreement (as referred to earlier in this report) paving the way for the installation of the solar PV system at I&J Danger Point.
- The replacement of an old and inefficient chilled water plant and compressed air system at Indigo Brands;
- Replacement of refrigeration piping and valve stations at the I&J Value Added Processing factory;
- Replacement of old and inefficient air compressors at the Isando Coffee and Creamer Factory with more energy efficient VSD driven units;
- Installation of a high-pressure steam vessel at the Isando Coffee and Creamer Factory for the condensate return project;
- A substantial sub-station upgrade at the Westmead Biscuit factory, supported by a range of targeted optimisation initiatives. The power factor improved from 0.91 to 0.99 following the commissioning of medium volt power factor correction, delivering ongoing savings of approximately R30 000 to R40 000 per month at current tariffs;
- The installation of smaller, more efficient geysers at the Westmead Biscuit factory; and
- The installation of a new boiler control system at the Rosslyn Snacks factory, which has resulted in improved steam to coal ratios.

Plans for F27 include:

- Implementation of a solar photovoltaic system at I&J's Aquaculture site, the Isando Biscuit factory and Indigo Brands to reduce reliance on municipal and generator produced power, with a view to expanding this into the rest of the Group as appropriate and possible;
- Reduction in lighting electricity use at all I&J sites through the installation of latest generation LED lighting, whilst simultaneously still complying with the increased lux requirements of the new Physical Agents Regulations expected in September 2026;
- Investigating the possibility of heat recovery from I&J refrigeration plants to heat water for use in bin washing and ice pit areas;
- Electricity monitoring at I&J Primary Processing on a centralised SCADA system to monitor and ultimately reduce energy use;
- Commissioning and programming of the high-pressure steam vessel at the Isando Coffee and Creamer Factory in preparation for the condensate return project, which will result in a reduction in coal use;
- Installation of a central UPS to power the Westmead Biscuit factory and the Isando Coffee and Creamer factory to not only reduce generator runtime and diesel consumption but also operating costs and waste generation through reduced machine disruptions. Similar projects are also being considered for the other National Brands factories;
- Replacement of an old and inefficient compressed air-dryer at Indigo Brands;
- Replacement of old and inefficient air compressors at the Isando Coffee and Creamer factory with energy efficient units, which is expected to be completed during F27; and
- Various ongoing projects at the Isando Coffee and Creamer factory and Rosslyn Snacks factory to improve the steam condensate return and thus reduce the use of water and coal.

IT hardware is a major energy consumer. Managing this consumption requires strategic hardware selection, power management policies, and software optimization to balance performance with sustainability. Early in 2026 the hardware architecture was upgraded from an older 8-core processor to a newer 16-core processor. Whilst on the face of it, it appears that the newer Uninterruptible Power Supply units ("UPS") use more energy, this is not the case. The older CPUs only had 8 cores whilst the new CPUs have 16. Two of the older CPUs would be required to get to the equivalent number of cores as one of the newer CPUs. The older CPUs therefore consumed a maximum of 260W whilst the newer CPUs consume a maximum of 190W, a saving of 70W per CPU. The new servers also use a single socket per CPU, with the result that the core counts have stayed the same whilst the compute capability has increased, using less power. Another key change was the change in memory technology. The new technology is more energy-efficient, consuming up to 20% less energy at equivalent speeds.

- **Water conservation** – Poor water quality and shortages remain significant potential risks to the Company and the subsidiaries take steps to minimise these risks. These steps include using borehole water where appropriate, back-up tanks for storing water, recycling condensate produced during the heating processes back to the boilers, recycling production effluent with a view to reclaiming wastewater, installing a desalination processing plant at I&J, and adopting environmentally friendly storm water reticulation, whilst simultaneously measuring and managing water consumption. During F26 the Isando Biscuit factory improved maintenance and implemented increased inspections of the water reticulation system for early water leak detection and timeous intervention; critically reviewed the high-consuming conveyor cooling system on the Line 3 Rusks ultrasonic cutter conveyer and identified that the absolute belt and product temperatures did not require use of this system; and installed an online metering system for improved real-time water consumption monitoring.
- **Fuel consumption** – Within the distribution operations there is ongoing focus on optimisation of delivery routes and distribution networks through utilisation of routing and scheduling software, the deployment of on-board technology, advanced fuel management systems, more efficient engines and matching of loads to vehicles, the conversion of all material handling equipment from diesel to electric (which reduces both fuel consumption and harmful emissions), as well as driver training academies, which are all key issues in reducing fuel consumption and the Company's carbon footprint. During F26 the distribution centres continued the outsourcing of the finished goods shuttling operation to contracted specialist performance-based standards vehicles. These vehicles have a 16% increase in carrying capacity, which resulted in an approximate annual distance reduction of 48 910 kilometres and 85 tonnes of carbon emissions for the year. The distribution operations continue investigating the financial and operational suitability of electric and/or hybrid vehicles. Hybrid vehicles have only recently been introduced into South Africa and are still in the testing phase. This option will be reviewed annually to determine whether it becomes financially and operationally suitable. Electric vehicles are currently available, but they take approximately eight to nine hours to recharge and mileage on one charge is about 250 – 300 kilometres on one charge, depending on the loaded weight and topography. There has also been a slow rollout of electric vehicles in South Africa owing to electricity supply problems. For now, electric vehicles are not a suitable option for the Company's delivery network because of the short range and long recharge times.

I&J has been able to improve the fuel efficiency of its fishing fleet through a number of initiatives, including the modernisation of fishing gear and sensors used, governance of speed when steaming to and from fishing grounds, increased monitoring of fuel usage, and regular engagement with skippers regarding fuel efficiency, which improvements were sustained through F26.

- **Emissions, effluents and waste** – The Company is committed to a waste management strategy, reducing the use of raw materials, reducing waste, reusing waste wherever possible, and recycling waste that cannot be eliminated or reused. Key to managing waste is the monitoring and analysis of waste volumes and component parts to provide the information needed to manage waste effectively. The Company recognises its responsibility in terms of the Air Quality Act, 2004, is committed to efficient and effective air quality management, and ensures that all ovens, boilers, and boiler stacks are correctly operated, well maintained and routinely inspected. In addition, the factories engage with approved inspection authorities and conduct air emission surveys. Some of the material initiatives over the years have been as follows:

- The International Maritime Organisation 2020 legislation required a significant reduction in sulphur emissions from maritime vessels from January 2020. I&J was able to comply with the requirements of the new standards within the timelines allowed by the South African Maritime Safety Authority;
- Effluent plant management has been outsourced to specialists at the Isando and Westmead Biscuit factories, and the Isando Coffee and Creamer factory. The effluent treatment plant at the Rosslyn Snacks factory is capable of meeting future effluent quality compliance if more stringent municipal limits are implemented, albeit at a higher operating cost. Effluent quality compliance is monitored by the municipalities at all the factories and, where the quality measures fall outside the required limits, the municipalities either impose penalties or call on the factories to remedy the situation. Achieving consistent effluent quality is often hindered by variable waste stream compositions, aging or inadequate infrastructure, and increasingly strict regulatory standards, and requires constant attention.
- At the distribution centres all vehicles are washed using biodegradable chemicals and grease traps are cleaned regularly to prevent contamination of the main sewer system. In general, waste materials are classified for possible reuse, recycling, or disposal, and disposals are done through registered waste disposal and recycling companies;
- A project for improvement of the separation and correction of sewer, storm, and effluent drainage and pipelines at the Isando Biscuits factory, which started in the second half of F25 and was completed in Q1 F26.

SUSTAINABLE DEVELOPMENT REPORT continued

- I&J routinely recycles metal, corrugated cartons, used sunflower oil, and used marine oil;
- I&J has installed a Vacuum Filter System for recycling of used hydraulic oil from winch systems on the vessels;
- National Brands reduced packaging waste by right-gauging flexible packaging and removing excess packaging. The business also encourages consumers to recycle and makes them aware of the recycling categorisation of the packaging;
- Indigo Brands has reduced COD (chemical oxygen demand) levels from the aerosol plant by improving the manual removal of residual product from the CIP (clean-in-place) discharge. An installation to automate the separation and recovery of the residual product in return lines from the CIP discharge prior to the initiation of the CIP cycles, which was planned for F26, will now be implemented in F27;
- The phasing-out of lead acid batteries and replacement with new generation lithium-ion batteries, which carry no risk of acid spills, corrosion, hazardous gas emissions, or any sort of contamination. In addition, lithium-ion batteries are 30% more energy-efficient than lead acid batteries and virtually maintenance free; and
- The majority of Spitz shipments are transported by sea in order to minimise the use of CO₂ intensive air freight.
- UPS migration from lead-acid batteries to lithium-ion batteries – IT has migrated 67 retail stores and 13 administration and factory sites from lead-acid to lithium-ion batteries. This migration offers a longer lifespan, faster recharging, and a significantly lighter footprint.
- Chemicals – Spitz manufacturers are required to adhere to the requirements of REACH (Registration, Evaluation, Authorisation, and Restriction of Chemicals) under the auspices of the European Chemicals Agency regarding the acceptable limits to chemical substances in products. Compliance is monitored and guaranteed by constant testing conducted by accredited, independent inspections and research institutions. Furthermore, manufacturers are constantly working on ways to reduce the use of volatile organic compounds in footwear and apparel, such as by using water-based adhesive systems.
- Waste to landfill – Some of the major initiatives implemented throughout the Group include:
 - The containment of hazardous waste levels, increased recycling, and reduced waste to landfill;
 - On-site sorting of boxes and diversion to recycling rather than landfill;
 - Spent coffee ground collection for recycling;
 - Improved waste segregation at sites resulting in less loads being sent to landfill;
 - The final implementation of the project for the use of shredded BOPP (Biaxially Oriented Polypropylene) packaging in brickmaking;
 - Biscuit, biscuit fillings, jams, icings, and syrup being diverted from landfill to animal feed; and
 - Enhanced staff training on waste segregation to reduce recyclables being placed in general waste for landfill.

Furthermore, Indigo Brands improved its waste diversion rate from 36% in F25 to 43% in F26. Whilst this represents progress, the target is 50%. This prompted a competitive tender process and the appointment of a new waste management contractor. The required service levels are expected to increase waste diversion to at least 60% in the first year, whilst also annually diverting an estimated 62 tonnes of hazardous waste from landfill.

In order to prevent the number of fishing nets going to landfill and to prevent the likelihood of discarded nets ending up in the marine environment, I&J has sponsored a pilot net recycling programme to demonstrate and quantify the feasibility of recycling old nets back into usable products.

• Raw Materials and Deforestation

Raw materials that are procured by the Company and affected by the deforestation concerns are palm oil, paperboard, cocoa, coffee beans, and shoe boxes. The suppliers for these products are global suppliers who all need to conform to the EU Deforestation Regulations. Insofar as the specific products and suppliers are concerned:

- Palm oil is a vegetable oil from the fruit of oil palm trees and is more solid than liquid at room temperature. This makes it ideal for cooking, and it is an ingredient in many foods and beauty products. Palm oil has developed a poor reputation as a raw material owing to slash-and-burn deforestation. A balance needs to be found between the demand for palm oil, the economic benefits of the product, and protecting forests, wildlife, and local communities. Therefore, the use of palm oil from ethical and sustainable sources as certified by bodies such as the Roundtable on Sustainable Palm Oil (“RSPO”) is an integral part of the Company’s environmental and sustainability policies and strategy. The RSPO is a not-for-profit association that works with stakeholders across the palm oil supply chain to make sustainable palm oil the norm. Members include plantations, processors and traders, consumer goods manufacturers and retailers, financial institutions, and non-governmental organisations. The RSPO has developed a set of environmental and social criteria which companies must meet in order to produce certified sustainable palm oil. When they are properly applied these criteria help to minimise the negative impact of palm oil cultivation on the environment, wildlife, and communities in palm oil-producing regions. According to the RSPO *“although using other vegetable oils seems like a practical solution, it would actually create similar – if not even larger – environmental and social problems. Therefore, the best solution is to ensure you buy products that contain sustainable palm oil”*. To this end all the palm oil procured by the Company is from RSPO certified suppliers. As stated by the RSPO, *“RSPO outcomes are observable changes that are a direct result of RSPO Certification Systems and members’ actions. Impact data puts these outcomes in the context of a wider national, regional, global or sectoral level, showing trends in long-term effects for People, Planet and Prosperity, resulting from*

strategies and interventions derived from the RSPO Theory of Change (ToC). These effects may be direct or indirect, and intended or unintended. These desired impacts are aligned with the UN Sustainable Development Goals to ensure relevancy for all actors in the palm oil supply chain".

The RSPO measures its outcomes by People, Plant, and Prosperity (<https://rspo.org/>).

- 100% of the Company's paperboard spend is with FSC-certified (Forest Stewardship Council) suppliers. The FSC sets the gold standard for sustainable forest management. Further information regarding packaging materials is set out below.
- All of the Company's cocoa suppliers, namely Guan Chong Berhad, JB Cocoa (part of JB Foods Limited), and Theobroma (part of the Ecom Group), have sustainability credentials.
- The Company's coffee bean suppliers are Neuman Kaffee Gruppe, Sucafina, Volcafe (part of ED&F Man Commodities), and Louis Dreyfus Company (LDC). These companies all have sustainability credentials. Ciro also sells a range of Fairtrade and Organic certified coffee products.
- The Company's principal supplier of shoe boxes for the footwear business, is Gianni in Italy, which applies the requirements of the EU Deforestation Regulations throughout its procurement process.
- Other Raw materials (excluding packaging) –
 - The Company is a member of and has representation on the Board of the South African Rooibos Council, a non-profit organisation whose goal is to protect the Rooibos Industry and to ensure the sustainability of this raw material.
 - All yellow maize procured for the manufacture of liquid glucose is certified as non-genetically modified.
 - The replacement of the barcode and date code printing solutions with a new technology that eliminates the need for paper labels and glue was completed.
- Packaging –
 - National Environmental Management: Waste Act, 2008 ("Waste Act") –

As required by the Act and corresponding regulations, the Company's trading subsidiaries have registered with the DFFE and have joined relevant Producer Responsibility Organisations ("PROs"), through which they will report on paper and packaging usage and pay the required levies, which will be used to improve collection and recycling rates of packaging material put into the market. The PROs in turn report to the DFFE. They also have the responsibility of managing the various Extended Producer Responsibility ("EPR") measures required to be implemented.

EPR requires manufacturers, users, and importers of affected products ("producers") to bear a degree of responsibility for these products and ensure that the products are either recycled or upcycled, and that waste products diverted to

landfill are kept to a minimum. The Company has also played a leading role in ensuring that the various participants in the packaging value chain are making a tangible contribution to environmental sustainability, whilst minimising the financial hardship to the end-consumer in an already challenging economic environment. To this end, the Company has engaged extensively, and continues to do so, with the DFFE, the Consumer Goods Council of South Africa, various PROs, various environmental NPOs, recyclers of packaging waste, waste management companies, and raw material suppliers, such as the paper mills.

Since the inception of the regulations and establishment of the PROs, the PROs have been instrumental in driving sustainable practices and environmental responsibility within the packaging industry. Organisations such as Fibre Circle, Polycy, and Metpac have implemented various initiatives to promote recycling and reduce the environmental impact of packaging materials. These include awareness campaigns, collaborations with stakeholders, research, and development to explore innovative recycling technologies and processes, setting up of collection and recycling infrastructure, education and training, and consumer incentive programmes. Unfortunately, the DFFE reports that fewer than 10% of eligible producers in South Africa are fully compliant with EPR regulations.

The Group companies ensure that they are compliant with relevant legislation through registration with appropriate PROs and submission of material usage declarations to enable the calculation and payment of EPR levies. For the period to the end of June 2026, based on declared volumes, the levies due amount to R1,18 million.

- In June 2023, the Department of Forestry, Fisheries, and the Environment published the Packaging Guideline: Recyclability by Design for Packaging and Paper in South Africa, under section 6(1)(a) of the National Environmental Management Waste Act, 2008. The Packaging Guideline covers four categories of packaging material streams, namely metals, glass, paper, and plastics and is intended to reduce the volume of packaging going to landfill sites by improving product design, increasing quality of production practices, and promoting waste prevention. One of the key objectives of the Packaging Guideline is to assist designers in all forms of packaging to gain a better understanding of the environmental implications of their design decisions, thus promoting good environmental practices without restricting choice. The Group's marketing and procurement teams will use the Packaging Guideline to provide guidance and direction on how to make responsible and sustainable packaging choices.

SUSTAINABLE DEVELOPMENT REPORT continued

- As reflected in the table below, at least 99% of National Brands, Indigo Brands, I&J and Spitz's paperboard spend is with FSC-certified suppliers. In addition, all paperboard materials can be recycled multiple times.
- "Design 4 Recyclability" is a packaging development enabler to drive greater levels of both circular economy supportive solutions and as a continuing effort to reduce existing problematic materials. Following the successful development of components with locally available post-consumer recycled polypropylene, Indigo Brands continues making use of post-consumer recycled polypropylene across black aerosol and roll-on caps.
- During F26 National Brands, Indigo Brands, I&J and Spitz measured their use of various categories of packaging materials. Paper and board products were categorised according to the FSC categories. Plastics were categorised as follows:
 - > Recyclable: plastics that are currently recyclable, e.g., single-layer films and most clear, unprinted films;
 - > Potentially recyclable: plastics such as multi-material laminates that require specialised facilities/infrastructure and supply chains for recycling;
 - > Compostable: plastics that need to be managed separately in the waste stream, e.g., biopolymers, and corn-starch-based plastics; and
 - > Non-recyclable: all other non-sustainable plastics such as PVC and polystyrene.
- The following tables reflect the annual tonnages of cartons, corrugates and plastics used by National Brands, Indigo Brands, I&J and Spitz in the categories described above, and the percentage of these materials against the total of such materials used:

Table 1: Paper packaging

Category	Cartons		Corrugates		Filter paper		Total F26		Total F25	
	Annual tonnage	% of annual	Annual tonnage	% of annual	Annual tonnage	% of annual	Annual tonnage	% of annual	Annual tonnage	% of annual
FSC 100%	2 781	29,1	8 435	85,9	764	71,1	11 980	58,6	3 217	15
FSC mix/recycled	6 592	69,0	1 388	14,1	310	28,9	8 290	40,5	17 567	84
Non-FSC/non-compliant	181	1,9	–	–	–	–	181	0,9	106	1
Total	9 554	100,0	9 823	100,0	1 074	100,0	20 451	100,0	20 890	100,0
% of total tonnage of all paper packaging	47		48		5					

Table 2: Plastics packaging

Category	Material component							
	Contains recycled material		Contains zero recycled material		Total F26		Total F25	
	Annual tonnage	% of annual	Annual tonnage	% of annual	Annual tonnage	% of annual	Annual tonnage	% of annual
Recyclable	289	99,7	1 119	36,7	1 408	42,1	1 707	49,5
Potentially recyclable	1	0,3	1 929	63,2	1 930	57,7	1 737	50,4
Compostable/bio-degradable	–	–	–	–	–	–	–	–
Non-recyclable	–	–	4	0,1	4	0,1	3	0,1
Total	290	100,0	3 052	100,0	3 342	100,0	3 447	100,0
% of total tonnage all plastics	9		91		–			

- There has been continued progress in the lightweighting of plastic packaging in both rigid and film packaging which means that less packaging is put into the market for the same amount of product.
- The Company continues to explore sustainable alternatives to conventional plastics while balancing the risks of additional costs to the consumer and supply availability due to the small number of sustainable sources available globally.
- Footwear and Clothing – Footwear and clothing sustainability has become an area of increasing importance for the Company. This requires a comprehensive review of all processes, including design, development, manufacturing, distribution, and selling, with a view to identifying and managing relevant areas to minimise negative environmental impacts, conserve energy and natural resources, and ensure the safety of persons involved in these processes, the communities in which they live and work, and consumers, whilst at the same time ensuring that such practices are economically sound. All footwear and clothing manufacturers are required to monitor their environmental indicators and to report on these to Spitz.

In an effort to combat “fast fashion” and its impact on the environment (including products to landfill and the carbon footprint of footwear and clothing manufacturing and logistics) Spitz is committed to:

- creating and selling high-quality products using quality materials with quality construction. These products last longer and reduce the amount of clothing waste that ends up in landfills;
- designing products to be timeless rather than just catering to current trends;
- designing products with their consumers in mind thus hopefully reducing the risk of unwanted goods;
- producing quantities against carefully calculated projections to avoid overproduction;
- packing all products into recyclable and reusable paper and board;
- repacking items that may be received from suppliers in plastic polybags into recycled and reusable paper and board before being sent to the stores, with responsible recycling of such plastic materials by an authorised waste recycling service provider.

There is a proliferation of factories in Italy, which have been identified as having unethical practices, including worker exploitation. Various luxury brands have been named by the Italian Courts for having “culpably failed” to oversee their suppliers. Spitz has taken steps to ensure that all of its Italian suppliers comply strictly to the regulatory requirements for the “Made in Italy” claim and, where a part of the process is allowed to be executed outside of Italy, it uses suppliers in Tunisia and Romania. Italian national and regional government inspectors regularly check compliance, and the Spitz Florence office is required to engage with the factories on a daily basis.

The tannery in Italy from which Spitz’s footwear manufacturers derive their leather, carries the prestigious Leather Working Group (“LWG”) silver certification, whilst the tannery in Asia carries the LWG gold certification and GICG (Guardian Independent Certification) certification as proof of their commitment to good manufacturing and the environment. The LWG audit standard assesses the impact of leather production and, as an organisation, the LWG aims to have a positive impact on the environment and communities, through driving:

- Increased supply chain traceability and transparency;
- Increased knowledge and access to data;
- Improved resource efficiency in leather production;
- Reduced waste generation and emissions to the environment;
- Improved chemical management and increased use of non-hazardous chemicals;
- Increased deforestation and animal welfare due diligence; and
- Improved working conditions and fair treatment of workers.

All of the textile manufacturers in turn hold one or more of the following certifications: Global Organic Textile Standard, Organic Content Standard, Global Recycled Standard, Recycled Claim Standard (“RCS”), European Flax Certification, and/or Better Cotton Initiative.

The packaging manufacturers in South Africa all hold one or more of the following certifications: FSC Chain of Custody (Forest Stewardship Council), RCS, ISO 9001 and ISO 14001, and Fibre Circle accreditation. The shoe box manufacturer in China is still in the process of acquiring required certifications.

Spitz measures the environmental impact areas set out in the table earlier in this report and has registered with the Fibre Circle Producer Responsibility Organisation in accordance with the Waste Act.

Supply chain

The AVI supplier code is communicated to all Group suppliers and service providers and incorporated into all legal agreements. The supplier code imposes on suppliers and service providers an obligation to:

- Comply with all applicable laws relating to the environment in respect of their own operations, including, but not limited to –
 - taking positive action to eliminate and/or minimize environmental pollution;
 - complying with waste reduction and recycling legislation;
 - obtaining and maintaining all required environmental permits;
 - identifying all chemicals and other hazardous materials and managing them to ensure safe handling, movement, storage, recycling, reuse, or disposal thereof;
 - monitoring, controlling, treating, and either eliminating or minimizing wastewater, solid waste, and air emissions; and
 - complying with all product content legislation.
- Assess, monitor and either eliminate or minimize the impacts that their businesses have on local communities and strive to have a positive impact on such communities.

The supplier code also specifically requires compliance with all applicable labour and employment laws, or relevant international standards and/or conventions relating to, inter alia, freedom of association and collective bargaining, compensation and working hours, prohibition of child labour, and prohibition of forced and compulsory labour.

The procurement teams of the subsidiaries are responsible for assessing and monitoring the performance of suppliers against their obligations in terms of the supplier code as well as any substantive supply agreements in place.

As far as operational obligations are concerned, suppliers are monitored based on On-Time, In-Full deliveries, and Quality service levels. Commercial discussions are held on an on-going basis and specifically when pricing is renegotiated or requests for proposals are issued. Quality performance is monitored through non-conformance reporting on either incoming checks or in-process problem identification. Suppliers with repeat quality non-conformances are audited, regardless of whether they have recognised certifications or not. National Brands and I&J pay particular attention to the food safety practices of their suppliers. They are all required to have a valid Global Food Safety Initiative certification. Suppliers without certifications and suppliers with SABS certification (which is no longer accepted by the businesses) are independently audited. If suppliers have unfavourable findings, they are audited annually and are required to close out all findings within 2 weeks of the audit and provide a corrective action plan. Quality assurance programmes are also in place to audit supplier performance based on paper supplier quality audits and physical site audits.

The businesses monitor social compliance either through initiatives such as the Amfori Business Social Compliance Initiative ("BSCI") social compliance questionnaire that aims to monitor and assess workplace standards across the global supply chain, or a vigorous on-boarding process. The BSCI code of behaviour addresses compliance with practices that represent a commitment to ethical and responsible conduct including, not only product-related practices but also social responsibility, environmental sustainability, employment practices, and fair competition.

Spitz's suppliers in the European Union are not only subject to quality assurance audits but also to external audits by organisations such as Sedex Members Ethical Trade Audit ("SMETA"), which audits encompass labour standards, health and safety, environment, and business ethics. For those products and/or components manufactured or supplied outside the European Union, Spitz closely monitors industry compliance. Factory production in China and other Asian countries plays a major role in the global footwear industry and it is a priority for Spitz to remain informed on potential trade and sustainability issues (including social and environmental issues) in these countries, and to assess the risks of doing business with these suppliers while also meeting stakeholder expectations.

On-going verifications are also done in respect of matters such as membership of relevant PROs, payment of EPR fees, and relevant certifications. The businesses also engage with suppliers through various industry bodies.

Suppliers who are non-compliant with, or at risk of being non-compliant with, the supplier code or required standards or certifications, are required to take remedial steps without delay. Failure to do so can result in termination of supply agreements.

Contraventions

On 11 December 2025 a diesel spill occurred at the I&J Cape Town Fishing Quayside during the transfer of marine gas oil from the day service tank to the MFV Umlungisi's onboard diesel generators. Approximately 147 litres of diesel entered the harbour. The incident was reported to the South African Maritime Authority ("SAMSA"). SAMSA determined that the incident constituted non-compliance with Regulation 9(1) (Control of Discharge of Oil) of Annex I to the Marine Pollution (Prevention of Pollution from Ships) Act, No 2 of 1986, and imposed a fine of R200 000.00.

The Westmead Biscuit Factory received a notice from the eThekweni Municipality regarding out of specification chemical oxygen demand ("COD") and pH levels in their effluent, which requires them to investigate the cause of the elevated COD and implement necessary corrective measures as well as to monitor the pH and ensure dosing systems are functioning consistently. No fine or other non-monetary sanction has been imposed.

No other fines or non-monetary sanctions for infringement of or non-compliance with environmental laws and regulations were recorded and/or levied against the Company, directors, officers, or employees during the period under review and the Company experienced no major environmental incidents. No formal requests or directives have been issued by government agencies or local authorities for the reduction of air emissions.

Consumer and product responsibility

- When considering consumer interests, the Company has reference to the OECD Guidelines, which provide that *"when dealing with consumers, enterprises should act in accordance with fair business, marketing, and advertising practices and should take all reasonable steps to ensure the quality and reliability of the goods and services that they provide"*. The Company also considers the social impact of its products.
- As reported in detail below (under the section on manufacturing certifications and accreditations on page 79 of this report), the Company's manufacturing and fishing divisions all maintain relevant health, safety, and quality certifications and accreditations.
- The Company's central marketing and legal functions ensure that there is adherence to laws, standards, and relevant voluntary codes relating to marketing and communications, including advertising, promotions, competitions, and sponsorships. All applicable labelling legislation is regularly reviewed and, where appropriate, changes to Company packaging are made. The research and development and regulatory managers in the subsidiary companies are responsible for ensuring applicable compliance.
- All products manufactured by the Company:
 - comply with all legally required manufacturing and safety standards;
 - comply with and meet all legally required standards for product testing and research;
 - comply with and meet all legally required standards for

- consumer health and safety, including those pertaining to nutritional information, health warnings, and safety information which enable consumers to make informed product decisions;
- contain instructions for storage and use;
 - contain information on product traceability, which enables the Company to trace all manufacturing processes from procurement of raw materials to production, consumption, and disposal to clarify when and where the product was produced; and
 - meet all legally required standards for advertising, including the agreed voluntary code of advertising practice published by the Advertising Regulatory Board (“ARB”). In particular the Company commits to using marketing and advertising that respects and supports children’s rights.
- The Company:
 - does not make product representations or omissions, or engage in any other practices, which are deceptive, misleading, fraudulent, or unfair, and co-operates with all relevant authorities (including the Department of Health, DALRRD, and the ARB) in the prevention and combating of deceptive marketing practices;
 - is a member of the Consumer Goods Council of South Africa (“CGCSA”) and the Consumer Goods and Services Ombud (“CGSO”) division and subscribes to the Consumer Goods and Services Industry Code of Conduct. The CGSO mediates and resolves complaints lodged by consumers against businesses operating in the consumer goods and services sector. Consumers are required to first try and resolve the complaint with the business. If they are unsuccessful then the CGSO will assess the matter and, where appropriate, mediate with the business on behalf of the consumer with the aim of reaching an equitable outcome that is fair to all parties;
 - has internal consumer complaints-handling processes that enable consumers to raise their concerns and complaints with the businesses with a view to resolving them in an equitable manner. The consumer complaints-handling processes include dedicated consumer complaints call centres, which can be accessed telephonically or by e-mail, and which are resourced by well-trained consumer care consultants. Complaints are escalated, where necessary, to senior executives tasked with assessing and resolving such complaints. Contact details for consumer complaints are provided on all product packaging;
 - complies with the provisions of the Consumer Protection Act, 68 of 2008;
 - engages on consumer education initiatives through the CGCSA; and
 - complies with the provisions of the Protection of Personal Information Act, 4 of 2013, in protecting the security of personal consumer data.
 - The Company’s internal legal advisers and regulatory departments keep the Company abreast of generic and industry specific consumer and product related legislative and regulatory developments, both pending and apparent, and ensure that management and employees are informed and, where necessary, trained on these developments and the implementation thereof.
 - The Company recognises the social responsibility attached to its products and recognises that health- and nutrition- related problems may result from people’s diets. The Company recognises its responsibility in this context and is committed to contributing to the reduction of health- and nutrition-related problems by active research and development on its food products, with a view to targeting meaningful and achievable quantitative targets for the sugar, calorie, salt, and additive content of its products. The Company is fully compliant with all current legislative requirements pertaining to these content levels.
 - There were no reported incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products within the reporting period, and the Company has not identified any such non-compliances.
 - The Company works closely with relevant industry and government bodies, such as the Consumer Goods Council, Business Unity South Africa, the ARB, the Department of Health, the Department of Trade and Industry, the National Regulator for Compulsory Specifications, the DFFE, DALRRD, the Aerosol Manufacturers’ Association, and the Cosmetic Toiletry and Fragrance Association, to contribute to the development of sensible and sustainable consumer legislation and regulations.
 - Where relevant to the Company’s business, the Group reviews draft legislation and provides input either directly to either the relevant government department, or the relevant industry body, or to the Consumer Goods Council of South Africa, which consolidates industry feedback and responds to the relevant government department.
 - All suppliers and service providers to the Company are obliged, in terms of the supplier code, to deliver products and provide services that meet safety and quality standards required by applicable laws and the Company’s quality standards. All suppliers supplying goods to the Company must be capable of disclosing, on request by the Company, all sources of primary origin associated with such goods.
 - The Company remains a member of a number of industry associations as set out in more detail in the stakeholder engagement table.
 - No judgments, damages, penalties, or fines for infringement of or non-compliance with consumer or product related legislation were recorded and/or levied against the Company, directors, officers or employees during the period under review.

SUSTAINABLE DEVELOPMENT REPORT continued

Major risks

The Company and its subsidiaries have well run governance processes and sound systems of internal control which are effective in managing the conventional key areas of business risk such as brand management, manufacturing, financial management, and information technology, including cyber security risks. Other risks that are often more challenging to manage, and pose a greater threat to business success, are summarised below and on the following pages:

Key risks and impact	Comments
Failure to stay in touch with and react quickly to changing consumer perspectives and needs • Lost growth opportunities or erosion of market share • Pressure on margins in constrained categories • Under or over-spend of marketing money without an economic imperative could lead to unsustainable or diminishing brand equity	• Product formats and price points are managed flexibly in different parts of the consumer cycle, in line with consumer needs • Each business unit gives priority to understanding the risks and opportunities that South Africa's growing Black, Indian and Coloured ("Black") consumer base presents, and responding in a manner appropriate to each category • Consumer trends in more developed markets are studied for relevance to local markets • The characteristics of our African export geographies are studied carefully so that we can enhance the relevance of our offering in each geography • New product development is aligned with the points above and actively pursued • Brand investment is material and consistent, with ongoing efforts to improve the efficiency and effectiveness of this spend
Availability of experienced and commercially minded business leaders to seek improvement and grow profits • This is an ongoing challenge, particularly given the diversity of the Company's operations. Considerable resources are expended in identifying people and, where appropriate, attracting them • The difficulty in recruiting scarce skills creates, inter alia, poor management depth and limited succession planning with a risk of reduced business credibility and business effectiveness • Inadequate progress on transformation would make it difficult to attract top equity candidates and reduce credibility with stakeholders and business partners	• The Company has a flexible operating model which provides high transparency to the centre and facilitates effective interaction on key matters when needed • Remuneration and reward systems provide meaningful wealth generation opportunities for managers who excel but a low level of value in share option schemes in periods of low share price growth means a risk of loss of senior employees to more attractive opportunities, lower morale for senior employees in general, and an environment in which it is harder to attract the best people • Various formal and informal internal learning and development initiatives are provided to develop in-house talent
A changing competitive landscape that negatively impacts profitability • The growth of house brands, often based on imported product, means increased price competition, difficulty in getting fair representation on shelf, pressure to manufacture house brands, and changes in consumer perceptions of house brands, which could lead to increased support and investment in capacity for those brands • There is the risk that additional capacity is created which generates surplus supply and inhibits the ability to generate economic returns on investment • The emergence of a "two-tiered" economy has increased the risk and incidence of counterfeit and sub-standard products with limited capability by authorities to police and prosecute	• The Company's best protection in a changing competitive landscape is to continually work to keep our brands and products relevant to consumers, to improve efficiency so that margins can be sustained when prices are constrained, and to be diligent in managing the price/volume/margin equation flexibly as circumstances require • A volatile currency with the risk of rapid and material weakening has traditionally been an effective protection against import competition • A fairly small domestic market reduces the attractiveness of major green fields investment in South Africa • New suppliers or customers entering the South African FMCG market can present both risks and opportunities. We believe that the Company has sufficient scale and relevance with its strong brand portfolio to be important to new entrants, and to be able to forge mutually beneficial trading relationships

Key risks and impact	Comments
Reliance on third-party brands and diminished profitability if licenses are not renewed	• Most of the Company's core brands are owned • Key third party brands that the Company has access to are the Lacoste, Gant, and Eden Park brands in the footwear and apparel business and the Lavazza brand in Entyce Beverages. Whilst we have a long history of strong and successful relationships with these parties and believe that our business units represent compelling opportunities to each licensor that will be difficult for other licensees to match, there is always a risk of disproportionate dependence on third-party brands and under-investment in owned brands
Inability to sustain and grow profit margins • In a volume constrained environment this will lead to decline in profit and return on capital employed • Following a period of material costs escalations a softening in some commodity prices has been seen but cost pressures persist and consumers remain under pressure, negatively impacting volumes. The ability to keep subsidising margins through cost management and improved efficiency, diminishes over time	• Top line growth is a continual focus area for all of our businesses and brings with it the opportunity to leverage fixed costs and expand profit margins • Many of the Company's Key Value Items ("KVI") enjoy a brand premium because of their long legacy of delivery and quality. We seek to preserve this premium through retention of product intrinsics and high focus on product provenance and quality • A failure to invest in manufacturing capacity and/or technology at the correct time may create a risk of market share erosion from both local sources and imports, and major capacity investment remains imperative • The Company has extensive exposure to foreign exchange and commodity price volatility. These exposures are hedged in a manner that allows selling prices to be managed predictably and responsibly and historically our businesses with their strong brands have demonstrated the ability to recover lost profit margin fairly quickly after periods of pressure. The notable exception being I&J, which has little ability to compensate for the impact of a strong Rand on its material export revenues, but similarly also benefits materially when the Rand is weaker • Significant cost inflation, most notably due to fuel prices, with an inability to fully recover through price inflation. At I&J this is coupled with a reduction in catch rates which materially impacts on the cost per kilogram of fish caught • Over-reliance on the strength of core brands could lead to the retardation of key disciplines • A failure to recognise the importance of product attributes in current or innovated products leading to a reliance on brand equity and/or marketing investment

Key risks and impact	Comments
Deteriorating local social, political and operating environment • Diminished capability of government departments (including policing) and state-owned entities, including the deterioration of public infrastructure (roads, railways, ports, etc.), impacts their delivery with a concomitant impact on businesses • Ongoing increases in administered charges for electricity, water, and property rates create additional cost pressure and reduce competitiveness relative to imports • Regulatory hurdles that impact on the Company's ability to implement mitigating measures to address local government's failure to perform their duties in terms of relevant legislation • Increasingly inflexible labour legislation, including in particular the changes effected to the Labour Relations Act, 1995 ("LRA") early in 2015, the interpretation of this legislation by the Courts in favour of permanent employment, and increasing demands and industrial action by labour unions, reduce competitiveness against imports, increase investment hurdles and create a growing disparity in wage costs between formal (unionised) and informal sectors • The imposition of price controls pursuant to a populist political and social agenda could impact on parts of the Company's product portfolio • Dissatisfaction with service delivery by government and municipalities could lead to civil disruption and strikes with a material adverse effect on volumes and profit • The continued decline of educational standards erodes the supply of essential skills to maintain our medium-term competitiveness • Increasingly onerous changes to the Broad-Based Black Economic Empowerment Act and Codes, and the Employment Equity Act • The emergence of new and ambitious social programmes that place too heavy a burden on organised business and taxpayers, to the extent that the availability of capital reduces in South Africa, and over time that compromises our ability to sustain our current asset base and competitiveness • Compliance with increasing consumer facing legislation such as that in respect of labelling, product naming, advertising, genetically modified organisms ("GMOs"), salt, and sugar, and the increased focus on providing "healthy" alternatives to existing products, requiring increased work and placing pressure on research and development • The outsourcing of government functions to private entities which results in the creation of additional layers of administration and costs to business, for example the appointment of external assignees in terms of the Agricultural Product Standards Act • Deterioration of public infrastructure (including roads, railways, and ports)	• Delays and the constant need for appeals in the Fishing Rights Application Process prolong uncertainty and delay long-term investment decisions • Complex processes to apply for water use licenses and borehole installations to mitigate the impact of the failing water infrastructure throughout the country create extended delays in these processes, which frequently result in refusals for arbitrary reasons and necessitate the taking of formal legal action • In a two-tiered economy the Company increasingly competes against smaller operators that are not measured or monitored against increasingly onerous legislated requirements, where there is an increasing new entrant risk due to low barriers to entry technology and high margins • Availability of utilities, such as power and water, necessary to run business can be mitigated at extra cost but reduce competitiveness. The declining quality of municipal water in many areas, forces increased dependence on borehole water (where available) or the installation of water filtering and purification plants, all at an extra cost to the businesses • There is increasing financial demand on the private sector to fund the government's budget deficit and over reliance on the private sector to address social issues • Regulators such as the Competition Commission and the Department of Trade and Industry increasingly see their role as maintaining jobs without regard for the underlying economic merit of their decisions and proposals, such as through increasingly restrictive merger control to deal with employment, broad-based ownership, supplier development and localisation, investment, and downstream beneficiation, market enquiries, and changes to the Competition Act to include specific provisions to enable historically disadvantaged persons, and small and medium-sized businesses to participate effectively in the economy • Changes to the Broad Based Black Economic Empowerment Codes of Good Practice with, inter alia, substantially increased financial requirements for meeting minimum compliance levels, have negatively impacted scorecard ratings and made achieving the historical rating levels difficult • Changes to the Employment Equity Act to impose employment equity targets could potentially result in non-compliance owing to a dire skills shortage • The failure by outsourced parties to perform their duties in terms of the Agricultural Product Standards Act has resulted in the termination of their contracts and resumption of these duties by DALRRD, who have, in turn, failed to carry out these inspections • Different product regulations across a multitude of countries, is increasingly complicating product labelling and the ability to export to these countries, particularly African countries where there are no coordinated actions to standardise regulations

Key risks and impact	Comments
Environmental - The impact of climate change on natural resources through changing weather patterns, (including, but not limited to, the El Niño events) and increased global temperatures could affect natural and agricultural resources on which the Company is dependent - Government commitments to emission-reduction targets and associated regulatory costs could have a significant impact on the operating and distribution practices of the Company	- The Group's activities generally have low environmental impact, and compliance with legislation is good - Alternative sources of raw and wrap materials would be sought in the event of adverse weather patterns occurring - Carbon tax is currently relatively low, and work in progress to reduce coal consumption should offset future tax rate increases - I&J's fishing and aquaculture activities are well regulated and there is also compliance with a number of industry-adopted practices that support sustainable fishing of the hake resource - The Group continues to evaluate opportunities to invest in alternative power and water sources - There has been increased regulation and levies relating to waste recycling and enforcement of measures to incorporate informal "waste pickers" into the formal recycling industry
Cyber - AI and automation – the risk of deepfake scams and automated phishing attacks - Supply chain – targeting of third-party vendors with weak cyber security to gain backdoor access to the Group - Cloud and remote working – misconfigured cloud storage, unpatched endpoints, etc., that present easy entry points - Ransomware, phishing, and DDoS attacks (a malicious attempt to disrupt a target server, service, or network by flooding it with an overwhelming amount of internet traffic)	- The Group has implemented effective cyber security strategies and practices to protect technology assets, resources, products, and services - Use of AI tools is limited to appropriate and approved tools managed in accordance with the AVI Policy on the Use of AI Tools for Business Purposes - IT systems are updated and patched on a continuous basis - User access and identity management is strictly controlled - IT security and compliance of third-party vendors is monitored - The Group provides ongoing employee training on, inter alia, cyber security risks - Data access is strictly managed and monitored - Online access, including the use of social media platforms, is strictly managed and monitored
Global conflict - Supply chain disruptions - Disruptions in global oil supply aggravated by South Africa's dependency on the supply of finished fuels owing to a lack of domestic refining capacity - Trade restrictions, embargoes, and sanctions - Currency volatility - Increasing energy and logistics costs - Higher insurance premiums for global logistics - Risk of contractual breaches on imported raw and wrap materials, finished goods, and capital items - Heightened risk of cyber attacks	- Building supply chain resilience by finding local and dual-source suppliers in stable regions; and holding sufficient safety stock for high-risk raw and wrap materials, finished goods, and capital items - Finding alternative non-fossil fuel energy sources and locking in long-term contracts for fuel requirements; diversifying currencies for settling international invoices to counter sudden devaluations; and ensuring access to capital - Ensuring force majeure clauses explicitly include geopolitical events, acts of war, and government sanctions; negotiating automatic price increases with customers when raw material indexes spike; and defining clear, non-litigious mediation pathways for supplier non-performance due to conflict - Ensure critical manufacturing equipment is not connected to any public or corporate networks; mandate multi-factor authentication and strict access controls for all remote supply chain portals; and run weekly data backups to ensure rapid recovery from ransomware

Going forward

The Company will continue reporting on sustainability issues in a way that focuses on material issues and provides a balanced view of the economic, social, and environmental aspects of the Company to stakeholders. In particular, the Company:

- Has noted efforts to unify reporting requirements, in particular the White Paper published by the World Economic Forum in September 2020 and titled “Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation”, which seeks to “develop a core set of common metrics and disclosures on non-financial factors”. The report sets out a core and expanded set of “Stakeholder Capitalism Metrics”, which can be used by companies to align their reporting on environmental, social, and governance indicators (“ESG”). The Company will consider the metrics and disclosures with a view to continual improvement of its own reporting and the setting of relevant objectives and targets.
- Will continue focusing on ESG factors that are directly relevant to the Company’s business.
- Has reviewed the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) and the Task Force on Nature-related Financial Disclosures (“TNFD”). The JSE and the TCFD/TNFD are increasingly aligning, with the JSE continuing to enhance its sustainability disclosure guidance to incorporate global standards, including those focusing on biodiversity. As a practice the Company is committed to the ongoing improvement of its reporting and undertakes annual reviews to ensure that due consideration is given to the recommendations of the TCFD and the TNFD, and to this end have included below a summary of risks, opportunities, and financial impacts following the frameworks provided, all of which will be monitored together with other key business risks and responded to as appropriate. The Company will also continue to review the recommendations of the TCFD and TNFD and expand the reporting as necessary.

Climate-related risks, opportunities and financial impacts

1. Climate-related risks:	
a. Transition risks:	
i. Policy and legal risks:	• The Group complies fully with the recent carbon tax legislation and expects to be able to maintain compliance with all existing legislation that relates to consumption of different energy sources as well as emissions, effluent, and waste disposal • The Group has not experienced disruption from its suppliers due to the impact of policy and legislation changes on their businesses, and the majority of our purchase spend is with suppliers who have a strong commercial imperative to meet the climate change credentials required by their customers • Wholesaling and retailing the Group’s products to consumers is a low impact activity, nevertheless many of our customers have implemented meaningful programmes that support increases in alternative energy consumption and improved waste recycling • We anticipate that policy changes will continue to support increased use of alternative energy in South Africa, providing further opportunities for the Group to evaluate
ii. Technology risks:	• Typically, the Group is in a position to adopt well-established alternative technologies with low operational and cost risk. To date, the majority of changes made in our own supply chain have been accomplished within normal replacement cycles or with the prospect of reasonable return on investment
iii. Market risk:	• The Group is committed to meeting consumer expectations of how brand owners should respond to climate change • The Group is not a direct participant in the climate change industry of goods and services, or adjacent industries that are likely to be impacted
iv. Reputation risk:	• The Group has a good compliance history and continues to make progress in responding to the impacts of climate change, particularly with regard to energy efficiency and emissions
b. Physical risks:	
i. Acute risk:	• The Group consumes a wide basket of commodities and has always been exposed to events that impact the supply and demand of these items. More frequent and severe climate driven events have the potential to increase physical supply risk and price volatility
ii. Chronic risk:	• Longer-term shifts in climate patterns may impact supply of key commodities and consumer behaviour in time

2. Climate-related opportunities:

a. Resource efficiency:	The Group has a continuous improvement approach to energy efficiency. Details of the Group's initiatives are set out elsewhere in this report
b. Energy source:	The Group has a continuous improvement approach to the energy sources used, including moving from fossil fuel energy sources to more sustainable sources such as solar power, where possible, including the power purchasing arrangement at the I&J Danger Point farm, which arrangement is also being explored for duplication across other major Group sites. Details of the Group's initiatives are set out elsewhere in this report
c. Products and services:	Given the relatively low impact of the Group's products, stakeholders have not expressed climate change concerns related to our products
d. Markets:	The Group is not a direct participant in the energy intensive climate change industries, or adjacent industries that are likely to be directly impacted, but the Group remains alert to the potential risks arising from these industries as part of the Group's supply chain and other impacts arising from these strategic sectors that are vital to South Africa's industrial and energy landscape
e. Resilience, being the capacity to respond and manage the risks and opportunities relating to climate change:	The Group's activities relating to climate change will develop and mature to keep pace with the environment in which we operate. This will include changes in legislative and reporting requirements, as well as consumer preferences

3. Financial impacts:

a. The direct costs of meeting legislative changes are likely to be material over time but the Company monitors and manages these on an on-going basis. The Group's annual carbon tax is approximately R3,3 million per year at current rates
b. Capital investment costs are managed in a balanced way, so that required spend is married to return on investment as far as possible
c. Cost pressures from emissions taxes and changing legislation requirements within our own, and our suppliers' supply chains, will be ameliorated by cost savings from lower energy consumption as well as other efficiency improvements
d. Increasing physical and price risk of key commodities may lead to additional investment in working capital over time
e. The Company will continue to protect the long-term profitability of its categories and so far, the consequences of changing legislation have been successfully managed within our overall cost basket
f. Additional compliance requirements and operating costs add pressure to an already constrained consumer environment, and it is hoped that government will respond to this reality by adopting reasonable timelines and providing effective subsidies for future changes that are required

SUSTAINABLE DEVELOPMENT REPORT continued

Nature-related risks, opportunities and financial impacts

1. Nature-related risks:	
a. Physical risks:	
i. Acute risk:	The Group consumes a wide basket of commodities and has always been exposed to events that impact the supply and demand of these items. Events that result from the degradation of nature and loss of ecosystems, such as floods, forest fires, and pest infestations, all of which can have a short-term effect on commodities, have the potential to increase physical supply risk and price volatility
ii. Chronic risk:	Gradual, long-term events that change the state of nature, such as the use of pesticides, deforestation, and industrial pollution shifts may impact supply of key commodities and consumer behaviour in time
b. Transition risks:	
i. Policy and legal risks:	- The Group complies fully with relevant national and international environmental legislation insofar as it relates to the Group's operations, including raw and packaging materials, and products. Details of the Group's initiatives are included elsewhere in this report - The Group has not experienced disruption from its suppliers due to the impact of policy and legislation changes on their businesses, and the majority of our purchase spend is with suppliers who have a strong commercial imperative to meet the environmental credentials required by their customers - Wholesaling and retailing the Group's products to consumers is a low impact activity, nevertheless many of our customers have implemented meaningful programmes that support increases in environmental preservation - We anticipate that policy changes will continue to support increased environmental measures to protect the environment and prevent degradation thereof
ii. Technology risks:	Typically, the Group is in a position to adopt well-established alternative technologies with low operational and cost risk, such as moving from virgin to recycled packaging materials and reducing water use. To date, the majority of changes made in our own supply chain have been accomplished within normal replacement cycles or with the prospect of reasonable return on investment
iii. Market risk:	The Company is committed to meeting stakeholder expectations of how brand owners should respond to nature-related risks and details of measures taken by the Group are set out elsewhere in this report
iv. Reputation risk:	The Group has a good compliance history and continues to make progress in responding to the impacts of nature-related events
v. Liability:	The Group manages claims and liability through adherence to relevant environmental legislation and on-going assessment of the Group's potential contribution to nature-related events, which are responded to as necessary and appropriate

2. Nature-related opportunities:

a. Resource efficiency:	The Group has a continuous improvement approach to natural resource usage, including water, packaging, and energy from fossil fuels. Details of the Group's initiatives and further opportunities to drive change are set out elsewhere in this report
b. Products and services:	Given the relatively low impact of the Group's products, stakeholders have not expressed nature-related concerns related to the Group's products, but the Group has a continuous improvement approach to ensuring that its products do not have an adverse impact on nature, including encouraging consumers to recycle packaging and unwanted clothing and footwear, thus reducing the environmental impact of these products
c. Markets:	The Group is not directly in a high-impact top polluter industry. However, the Group remains cognisant of the fact that some of the resources used by the Group are from direct high-impact industries, and therefore remains alert to the potential risks arising from these industries as part of the Group's supply chain but also the opportunity to change dynamics in the market by driving changes in the behaviour of suppliers
d. Reputation:	The Group has a good compliance history and its continued progress in responding to the impacts of nature-related events is key to ensuring good stakeholder perceptions
e. Capital flow and financing:	The Group's reputation has allowed it to access capital markets, but the Group remains alert to the risk of this changing should the Group fail to manage its environmental impacts and risk

3. Financial impacts:

a.	The direct costs of meeting legislative changes are likely to be material over time but the Company monitors and manages these on an on-going basis.
b.	Capital investment costs are managed in a balanced way, so that required spend is married to return on investment as far as possible
c.	Cost pressures that may arise from any form of environmental taxes or changing legislation requirements within our own, and our suppliers' supply chains, will be ameliorated by cost savings from resource management and efficiency improvements
d.	Increasing physical and price risk of key commodities may lead to additional investment in working capital over time
e.	The Company will continue to protect the long-term profitability of its categories and so far, the consequences of changing legislation have been successfully managed within our overall cost basket
f.	Additional compliance requirements and operating costs add pressure to an already constrained consumer environment, and it is hoped that government will respond to this reality by adopting reasonable legislation and providing effective subsidies for future changes that are required

Transformation

The Company recognises the moral, social and economic imperatives to embrace and support transformation in South Africa and to be a valuable participant in the South African economy and society. A transformed company in the South African context is not only one that has a workforce that is representative of the country's racial and gender demographics and that operates with a bias towards broad-based empowerment opportunities, but one that also embraces diversity.

The Company continues to focus on transformation and remains intent on providing a workplace that encourages diversity. Transformation is considered in the context of Broad-Based Black Economic Empowerment ("BBBEE") and is measured annually by an external verification agency against the generic BBBEE scorecard. A central senior manager actively coordinates the Company's efforts and ensures that the subsidiaries are well educated on the various facets of transformation. The subsidiaries' progress is monitored, and they are centrally assisted in their implementation of targets and other initiatives. During the year under review significant time and funds were invested in advancing the transformation plans that had been developed in previous years. The progress of these plans was reviewed at half year, and appropriate and revised activities were agreed upon, where necessary.

From F10 to F14, on the original BBBEE Codes of Good Practice, the Company improved its rating from a level 6 contributor (at 53,78%) to a level 4 contributor (at 70,25%). Since 2015 the verifications have been done against the amended Codes and for the first three years the Company consistently achieved a level 7 rating, discounted to level 8. In F18 the Company improved its score and achieved a level 6 rating (78,22 points), which was then discounted to level 7 for failing to achieve the required 40% threshold on supplier development. F19 saw further improvement to a level 5 rating, with no discounting owing to the minimum thresholds for equity ownership, skills development, preferential procurement, supplier development, and enterprise development having been achieved. The consolidated score achieved for F20 was level 6 (at 71,48 points) with no discounting. The main element that contributed to the change from level 5 in 2019 to level 6 in 2020 was Skills Development. This was for two reasons, firstly the inability of the Company to continue with and complete its skills programmes during the COVID-19 lockdown, and secondly a change in the interpretation of the provision relating to the absorption of unemployed learners at the end of their skills programmes. No dispensation was given by the Department of Trade and Industry to take account of the impact of COVID-19. Since F21 the Company has consistently achieved a score of level 5 and met the 40% threshold on all three priority elements, namely ownership, skills development, and enterprise and supplier development.



TOA Foundation – Junior Biologist Group

BBBEE scorecard

A comparison of the scorecard elements for the last five years is set out below:

Element	2026 %	2025 %	2024 %	2023 %	2022 %
Ownership	67,17	75,05	72,96	71,98	67,88
Management Control	40,68	38,81	39,10	42,56	41,25
Skills Development (including Bonus Points)	74,64	74,10	69,02	62,25	66,73
Enterprise and Supplier Development (including Bonus Points)	84,13	79,33	83,68	82,30	85,56
Socio-Economic Development	100	100	100	100	100

EMPOWERLOGIC

Broad Based Black Economic Empowerment Verification Certificate

A Consolidated Verification Certificate issued to

AVI Limited and Subsidiaries

Level 5 Contributor

Measured Entity

Company Name	AVI Limited and Subsidiaries
Registration Number	1944/017201/06
VAT Number	Refer to second page
Address	2 Harries Road Illovo, Johannesburg 2196

B-BBEE Status

B-BBEE Status Level	Level 5
Total Points Obtained	79.78 EO: 16.79 points; MC: 7.73 points; SD: 14.93 points; ESD: 35.33 points; SED: 5 points
Discounting Principle Applied	No
Procurement Recognition	80.00%
Empowering Supplier	Yes
Black Ownership	16.13%
Black Designated Groups	0.98%
Black Women Ownership	8.68%
Black Youth	0.98%
Black New Entrants	0.98%
Black Disabled	0.00%
Normal Flow Through Applied	Yes
Black Unemployed	0.00%
Modified Flow Through Applied	No
Black People Living in Rural Areas	0.00%
Mandated Investment Exclusion Applied	No
Black Military Veterans	0.00%
Measurement Period Year End	30/06/2026

Issue Date	19/08/2026
Expiry Date	18/08/2027
Certificate Number	ELC14989RGNNB
Version	Final
Applicable Scorecard	Amended Codes - Generic
Applicable BBBEE Codes	Amended Generic Codes Gazetted on 11 October 2013 and Amendments Gazetted on 31 May 2019

EmpowerLogic (Pty) Ltd
Reg. No. : 1995/000523/07
BBBEE Rating Agency

Per Prebhashini Govender
Member - Verification Committee

SANAS Accredited

sanas
BBBEE Rating Agency

BVIA018

This certificate is the result of an independent and impartial verification of the BBBEE status of the measured entity measured against the Codes of Good Practice on Broad Based Black Economic Empowerment and has been issued in accordance with the EmpowerLogic Verification Certificate Policy. This certificate supersedes any previous certificates issued to the Measured entity. For enquiries please contact EmpowerLogic at 086 111 4003.

Certificate Page 1 of 2

Ownership

The Company achieved an ownership score of 67,17% and met the 40% threshold for net value (one of the sub-elements of equity ownership). The Company also still benefits to a minor extent from continuing recognition of the Company's Black Staff Empowerment Share Scheme ("the Scheme"), which was launched during January 2007. The Scheme terminated in December 2018 but over the life of the Scheme, 18 301 participants benefitted from growth in the AVI share price and received a total gross benefit of R841 million, including 1 598 participants who left the Company's employ in a manner that classified them as "good leavers", which good leavers received a total gross benefit of R106,7 million.

At a subsidiary level, the Company remains committed to ensuring that a direct economic benefit flows to I&J employees. The I&J Black Staff scheme terminated on 22 December 2021 resulting in a payment of R103,0 million to Black staff participants. Over the life of the scheme significant value was generated for Black staff with the scheme delivering R156,3 million in value to participants.

Following the expiry of the scheme in December 2021, the Company's Board approved a new Black staff scheme in terms of which 6,25% of Irvin & Johnson Limited ("I&J Limited") will be held by Black staff up to 2035 through the I and J Staff Holding Company (Pty) Ltd ("Staff Holding Company"). The share rights schemes that have been implemented deliver value against I&J share price appreciation and is an integral part of I&J's compliance for the allocation of long-term fishing rights.

AVI and I&J Holdco are fully committed to transformation in South Africa and, in addition to the Black staff scheme, 18,75% of I&J Limited is held by Twincitiesworld (Pty) Ltd, a 100% Black-owned company ("Twincitiesworld").

In F25 and F26 dividends (after deduction of the notional vendor financing loan to the Staff Holding Company and the interest on the preference shares in Twincitiesworld) of R700 000 were paid to the Staff Holding Company, and R2,1 million to Twincitiesworld.

In total, 25% of the issued share capital of I&J Limited is directly held by Black shareholders, thus promoting an equitable and sustainable economic participation through the broad-based sharing of value creation to the benefit of all stakeholders.

Management control

Management control measures both Board participation and other executives, and employment equity as one element.

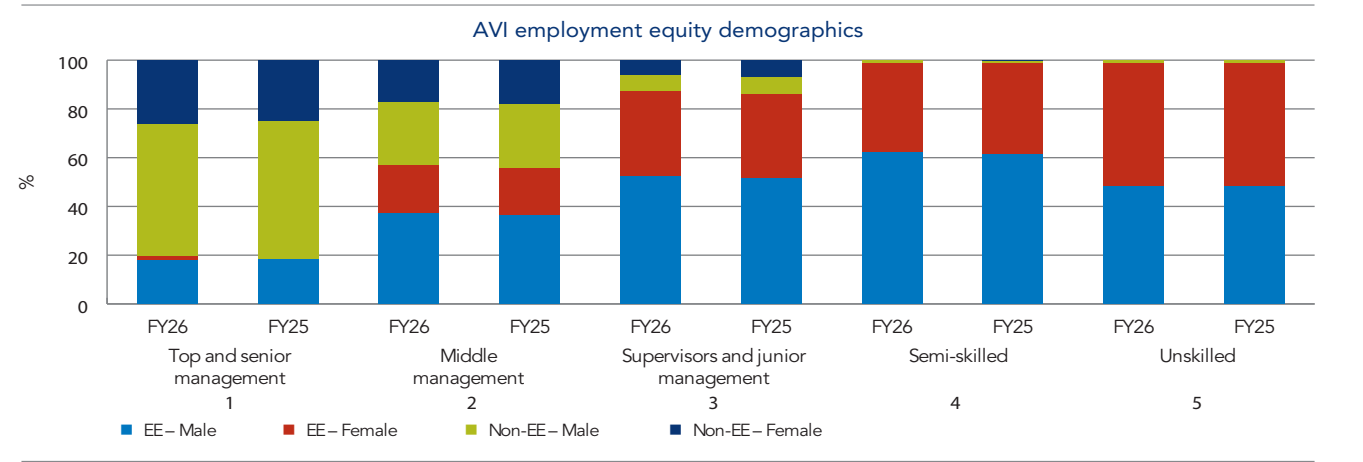
The Company achieved a combined management control score of 40,68%, an improvement over the prior year of 38,81%. The score for Board Participation and Other Executive Management was 27,18% and the score for Employment Equity was 63,81%.

SUSTAINABLE DEVELOPMENT REPORT continued

Management control remains an area of heightened focus for the Company. The Board Participation and Other Executive Management element measures transformation at the Senior, Top, and Board levels and the Employment Equity element measures transformation at the Junior and Middle Management levels.

Attracting senior Black candidates from their current employment in these less than certain economic times is difficult with employees often being loathe to leave

existing employment. The Company nonetheless continues its efforts to appoint, develop, and retain Black employees, especially where representation is required in the middle, senior, and top management bands. The Company's employment equity efforts remain behind training, developing, and mentoring Black employees with the objective of retaining them and preparing them for more senior roles.



Skills development

Development of the Company's employees remains a priority. Material progress has been made over the years by originating relevant learning opportunities for a broad community of employees, continually reviewing current learning services and requirements, and enhancing their alignment to the Company's needs. This has assisted the Company in the development of its employees in an appropriate manner, and in progressing the Company's transformation agenda.

The amount spent on recorded skills development initiatives in the past financial year was R145,53 million, equivalent to 4,54% of the leviable amount, as defined in the Skills Development Levies Act, namely the total amount of remuneration, paid or payable or deemed to be paid or payable by the Company to its employees during any month. 4 692 employees, or 57,95% of the total workforce (including permanent and fixed term contract employees), were trained during the year, 96,97% of whom were Black. Of the total Black employees trained 43,12% were Black females. The total spend for Black males was R55,23 million and for Black females was R43,64 million. The Company budgets annually to spend approximately 2% of the leviable amount on skills development initiatives.

The Company achieved a score of 74,64% (including Bonus Points) and met the required 40% threshold.

All employees in the C, D, E and F bands undergo annual performance reviews and goal setting for the year ahead. Employees rated as high performers or possessing scarce skills will be identified and development activities will be undertaken linked to future business needs and

retention. Individual training plans will be developed as appropriate. Employees rated as under-performers will be performance managed with a view to improving their performance or exiting them from the business.

The Company continues to have strong and credible relationships with four key Sector Education and Training Authorities ("SETA"), namely the Food and Beverage SETA, the Wholesale and Retail SETA, the Transport Education Training Authority (TETA), and the Chemical Industries Education Training Authority (CHIETA), which enabled the Company to receive mandatory grant payments of R5,18 million and discretionary grant payments of R5,72 million in the year.

The Group Skills Development Facilitator continues to focus on the management of PIVOTAL (Professional, Vocational, Technical and Academic Learning) programmes. During the year, the Company had 523 learners (the majority of whom were Black) on such programmes.

Learnership programmes, occupational qualifications, and apprenticeships remain a priority throughout the Group.

In the past year National Brands supported 259 learners of whom 77 were unemployed disabled persons on key programmes, including End-User Computing Level 3. National Brands continued supporting 10 apprentices on critical and scarce trades courses. 21 employees graduated from the NQF8 Business Leadership programmes and a further 12 employees on an NQF 5 Management qualification with the DaVinci Business School.

I&J has made substantial investments in training unemployed youth for the fishing and broader maritime industry. I&J recognises the critical need to empower the younger generation by providing them with the skills and opportunities necessary to thrive in the fishing and maritime sectors. These initiatives reflect I&J's commitments to social responsibility and align with their strategic goals to support community development and sustainable industry growth. I&J participates in the Youth Employment Service (YES programme) initiated by government in F20 in terms of the BBBEE Act and aimed at youth employment. In F26 I&J registered a further group of 41 unemployed youths on 12-month youth employment contracts, thereby giving them their first opportunity at employment. Over the past year I&J also made a substantial investment in the formal training and development of 123 people (of whom 56 are disabled) on programmes including NQF4 Leadership Development, and NQF3 End User Computing (for learners with disabilities), NQF3 Production Technology, as well as Apprenticeship programmes for both employed and unemployed individuals.

Indigo Brands trained 18 learners, focusing on NQF4 Occupational Certification for Design Thinking Practitioners, and invested in unemployed Disabled Learnerships. In addition, selected employees have been assigned to the Formulation Laboratory and enrolled in Cosmetics Science training with a view to developing cosmetic chemistry capabilities.

Spitz successfully enrolled 26 people on the NQF5 Retail Chain Store Manager programme with IMM. In addition, 10 store managers participated in the NQF4 General Management programme. 11 unemployed, disabled learners were enrolled on an NQF3 Generic Management programme, and a further 10 unemployed, disabled learners were enrolled on the NQF3 Sales Assistant Occupational Qualification. Spitz bursaries are funding 8 employees' higher education studies.

Ciro enrolled 21 disabled people on the NQF3 End User Computing programme, and a further 20 employees are continuing on NQF4 and NQF5 Generic Management programmes, a Contact Centre Support programme, and OCTO Occupational Certificates in Sales Assistant and Sales Representative.

The AVI Graduate Programme that commenced in F16, ended in November 2025 with the final 13 graduates completing their 24-month programmes. Over its life the AVI graduate programme served the Group, providing a pipeline for scarce skills, in particular engineering.

The Company remains focused on the development of online training courses in an effort to reduce the cost and complexity of classroom-based programmes, particularly in the retail businesses.

There are currently over 159 online courses on the system to enable efficient, effective, and personalised knowledge transfer for development, governance, and compliance purposes. These have assisted employees to access knowledge from any location, free of charge, and have enabled a view of their progress and achievements.

The Company continues identifying and developing other appropriate online training programmes, including most recently IT 101 Cyber Awareness, Spitz Customer Service and Assessment Process, as well as SAP Procurement Simulation Courses, with a further 8 courses currently in the development stage.

All training programmes are evaluated from time to time for relevance and results and changes made, as necessary. Individual employees on training programmes are carefully monitored and assisted, as necessary, throughout the programme to ensure optimal results and the Company continues to benefit from the holistic view of our talent and succession strategies across and within our businesses.

Preferential procurement, enterprise and supplier development

Under the amended Codes this element now comprises preferential procurement, enterprise development, and supplier development.

The Transformation team, in collaboration with specialist procurers in the Company, and with a focus on favouring local empowering suppliers (as defined in the amended Codes), plays a large role in the Company's enterprise and supplier development strategy. The Company achieved a score of 84,13%. The Company met the 40% threshold in all three elements, namely preferential procurement (89,16%), supplier development (42,60%), and enterprise development (100%).

The Transformation team works closely with the business unit procurement teams to identify and review potential supplier development projects, both to replace imported raw material/packaging suppliers and to develop Black-owned suppliers for locally supplied raw materials, services, and/or packaging. Each potential project is reviewed to ensure that the potential supplier meets the criteria stipulated in the Group's Enterprise and Supplier Development Plan and that the project is sustainable. Suitable projects are hard to find and take considerable time to review but once they have been identified and verified as being both commercially viable and contributing towards the sustainable development of local suppliers, agreements are signed, and priority is given to implementing the projects.

SUSTAINABLE DEVELOPMENT REPORT continued

Some of the projects that have been implemented and continue to be managed include:

- Early payments to Exempt Micro Enterprises (“EME”) and Qualifying Small Enterprises (“QSE”).
- Funding of select supplier and enterprise development initiatives across a wide range of sectors in collaboration with reputable third-party institutions, such as Inyosi Empowerment and B1SA. Among the enterprise development beneficiaries being assisted are Bubear Solutions (Pty) Ltd and Reality Learning (Pty) Ltd, both of whom have been graduated by Ciro and I&J respectively, from enterprise development beneficiaries to BBBEE suppliers.
- Partnering with Inyosi and B1SA to provide the Company’s QSE and EME suppliers with access to their buyer/supplier networking platforms, namely iHive Procurement Portal and B1Link, respectively.
- Continued focus on graduating enterprise development beneficiaries into long-term Group suppliers.
- Engaging non-compliant suppliers and providing them with training on the BBBEE Codes of Good Practice to empower them to improve their BBBEE scores.

Procurement from local suppliers and service providers remains a strong focus for the Company. Localisation stimulates local production, creates, or sustains employment, helps to improve the quality of local production, and enables better lead times with cost reductions. The following localisation plans are currently in progress:

- The plan for local procurement of specialised paper wax liners (mince block packaging) for I&J, which were imported from Denmark, China, and the United Kingdom, was successfully concluded and the liners are now being procured from a local supplier.
- Indigo has identified a project for local manufacture of roll-on balls to replace the products being sourced from China. Locally manufactured samples have now been successfully tested, and a sourcing strategy is being implemented.
- A supplier development project for a Procurement e-Catalogue that allows buyers to procure low-value, high-volume products experienced some delays but is still being used in National Brands whilst addressing any necessary enhancements. The system is intended to enable suppliers, particularly small and medium-sized enterprises, to gain low-cost access to purchasers such as the Company.

Currently –

- 96% of local supplier spend is BBBEE compliant.
- 9% of the local procurement spend is with EMEs and QSEs.
- 63% of the local procurement spend is with Black-owned vendors.
- 57% of the local procurement spend is with 30% (at least) Black women-owned vendors.

The Company engages with suppliers regarding their transformation needs and requires its suppliers to register on the Department of Trade and Industry IT portal, which provides a single national catalogue of vendors and their BBBEE profiles. In addition, the Company engages with suppliers regarding their empowering supplier status and assists suppliers, where necessary, to achieve this requirement.

The subsidiaries have procurement policies addressing such matters as BBBEE targets, origin of materials, environmental awareness, and sustainability, as well as labour practices and ethics. Potential suppliers are required to undergo a thorough vendor evaluation and selection process and are required to comply with the supplier code. Wherever possible, locally based suppliers are preferred over international suppliers. The Company makes every effort to ensure that it only does business with suppliers who comply with all applicable legislation and has not identified any of its suppliers where employees’ labour and human rights are, or are at risk of, being violated.

In March 2025, the Department of Trade, Industry, and Competition (“DTIC”) published the Draft Transformation Fund Concept Document detailing a plan to redirect funds from companies’ enterprise and supplier development spend to a central fund managed by the DTIC to empower majority black-owned businesses. It is not yet clear how the amounts payable would be calculated and which elements of the scorecard would be affected, i.e. one or both of enterprise and supplier development. On 29 January 2026, the DTIC published the draft amendments to the Broad-Based Black Economic Empowerment Codes. The changes impact primarily the preferential procurement, enterprise, and supplier development (“PP and ESD” respectively) elements by, inter alia, the inclusion of the Transformation Fund as an alternative to traditional ESD initiatives. The other elements, namely ownership, management control, skills development, and socio-economic development, remain unchanged.

The draft amendments also propose significant changes to the scoring of the PP and ESD elements, the beneficiary categories, compliance and reporting requirements, and the basis on which bonus points can be scored. As at date of writing of this report, the final amendments had not yet been published.

Corporate social investment

The Company's corporate social investment ("CSI") programme is aimed at bringing about positive social and economic changes to historically disadvantaged communities in the environments in which the Company operates. The Company again achieved a score of 100% for its socio-economic development in the most recent BBBEE rating. On an annual basis an amount of approximately 1% of the Company's pre-tax profits achieved in the previous year is set aside for this purpose. The areas of focus are broadly education and skills development; health and welfare; and social and community development. Grants are managed on a full-time basis through the Company's Community Investment Trust. This trust is served by elected employees who have shown an interest in CSI and an ability to manage the CSI programme. All material projects are properly vetted and routinely monitored by the trustees and the full-time trust administrators to ensure that they achieve what was initially intended. All beneficiaries are also required to report to the trust at least once a year on the socio-economic activities undertaken by them and how the grant was spent and the trust administration team arrange annual visits to all major beneficiaries. In addition, the Company is always cognisant of the impact, both negative and positive, that its operations could have on local communities and commits to identifying any such communities and to engaging with them regarding the prevention or mitigation of negative impacts. For this reason, many of the programmes supported by the CSI funding operate in or near to the communities in which the Company's operations are located.

During the year R33,9 million was available to the Company's CSI programmes. Of this amount R33,2 million was distributed as direct financial contributions to beneficiaries. In addition, the trust incurred R371 000.00 in overhead and administration costs.



The Carel du Toit Centre – Teacher Nolitha's nursery class



The Good Shepherd Trust – girls working on computers



Mandela Day at the KZN Children's Hospital



The Love Trust – ECD centre

SUSTAINABLE DEVELOPMENT REPORT continued

The greatest portion of the Company's CSI funding was spent on education, skills development projects, community training and skills programmes, and health projects as follows:

- The Supplementary Education Trust exposes learners from grades 10 to 12 to high-quality educational materials and expert tuition in English, Mathematics, and Science, on Saturdays and during school holidays, with a view to enabling them to successfully complete their final matriculation exams and further their education at a tertiary institution. In addition, learners in grades 8 and 9 are provided with the same support for Mathematics. The Trust also provides necessary study materials, career guidance, life skills training, transport, and food. The programme seeks to upgrade the learners' academic standards to enable them to further their education at a tertiary institution. Over the past 13 years the Company has contributed R15 million to the Durban and Winterveldt programmes to support learners from impoverished homes and underperforming schools in areas such as Umlazi, Inanda, Kwa-Mashu, Claremont, Mabopane, and other low-income communities.
- The Diepsloot Foundation, which was founded in 2008, provides Adult Basic Education and Vocational Training as a key component of its strategy to uplift and empower the community through education, vocational training, and enterprise development. The key objective is to channel funding, skills, and resources into sustainable projects that will benefit and build the competencies of individuals and groups within Diepsloot. The projects also allow disadvantaged youth over the age of 18 who have not achieved their matric to achieve a matric equivalent. Over the years funding from the Company has supported the programme in general and enabled the opening of an Early Childhood Development Centre – Khulani (meaning "to grow").
- The Ruth First Scholarship Programme sponsors disadvantaged girls' attendance at Jeppe High School for Girls, one of the country's foremost public schools for girls, with full tuition, boarding costs, and pocket money, to grade 12. The Company is currently sponsoring 14 girls in different grades. For the first time, the Company also sponsored an outstanding matriculant from this programme for tertiary studies at the University of the Western Cape in line with the Company's commitment to successfully transition learners from secondary to tertiary education and achieving long-term academic and career success.
- The Rapport Education Fund supports young students from disadvantaged communities with bursaries to enable them to gain a tertiary qualification with a view to qualifying as teachers, many of whom are now teaching at schools in under-privileged communities. The Company has been supporting the programme since 2014 and, in 2026, supported another 23 students.
- The Learn to Earn foundation trains students in Basic Computer Skills, Office Administration, Sewing, Hospitality, Baking, Barista, and Shop Assistant programmes, across three learning centres in the Western Cape. Students receive core skills training with supplementary life skills training. The foundation also facilitates access to further education and economic opportunities for their students. In the past year, the funding provided by the Company sponsored 39 unemployed individuals on various courses.
- Kingsway Centre of Concern operates the Kingsway School and the Thandanani House of Refuge. The school has 13 teachers and caters for approximately 257 learners from grades 00 to grade 7. The school provides high quality early childhood education to disadvantaged pre-school children from the informal settlement of Zandspruit and its surrounding areas. In addition, and aided by a well-supported school nutrition programme, the children receive food parcels to take home. The Company partners with the school to provide much needed support to the foundation phase schooling.
- The Theo Jackson Jeppe Trust provides scholarships for boys from disadvantaged backgrounds at Jeppe High School for Boys. The Company currently sponsors 6 boys in different grades. The sponsorship covers the full cost of tuition, boarding, study materials, and extra-curricular activities. For the first time, the Company also sponsored an outstanding matriculant from this programme for tertiary studies at the University of Cape Town in line with the Company's commitment to successfully transition learners from secondary to tertiary education and achieving long-term academic and career success.
- The Two Oceans Education Foundation was established to promote and expand on the Two Oceans Aquarium educational, conservation, and research initiatives. The Foundation places emphasis on marine sciences and includes free environmental education outreach programmes through the Marine Sciences Academy, as well as online course and classes that were recently launched. The Company currently supports, inter alia, the Junior Biologist programme and has made it possible for bursary opportunities to be provided for students to complete the FET CAPS Marine Sciences curriculum.
- Just Grace aims to alleviate poverty in the Langa community in Cape Town by supporting education attainment and skills training. They deliver a range of education, community development, and entrepreneurial projects. They identify projects with community members or through partnerships with local organisations. The Company helps to fund the Just Grace Qhubeka programme, which provides participating youths with comprehensive support and guidance over a four-year period (from grade 9 to grade 12) through 10 sub-projects, namely: academic support, social work counselling and psychosocial support, youth opportunity programme, computer training, weekly book club, computer coding/programming, life skills, women's discussion group, job shadowing, and the holiday club.
- Love Trust grows leaders and delivers excellent, values-based education to early childhood development teachers and, through the Nokuphila School in Midrand, to approximately 380 vulnerable children in grades 000 to grade 7 from, primarily, Ivory Park and Tembisa in Gauteng. Support includes

scholar transport and meals. The Love Trust Teacher Training course is SAQA accredited to ensure the teachers are provided with the required skills.

- LEAP Science and Maths Schools provides free education to students from high-need communities, with mathematics, physical science, and English as mandatory subjects. The extended school day is 9 hours, and special programmes are held on Saturdays and during school holidays. Every LEAP assisted school is partnered with a more privileged school within the surrounding area. The Company currently supports 10 learners in grades 8 to 10 in two Gauteng schools and one Western Cape school and, in F26, also provided funding to the school in Alexandra to upgrade its existing science laboratory through the procurement of new equipment, and funded the purchase of lockers to provide learners with a secure and lockable space to store their belongings.
- The Michaelhouse Community Partnership Trust partners with 18 local public schools between Lions River and Mooi River in the KwaZulu-Natal Midlands to improve their standard of education and to offer teacher development through training and mentorship. The Company provides on-going funding for the appointment of Edu-helpers who are qualified or qualifying teachers and are recruited to teach, tutor, coach, or assist with any necessary development programmes in the schools supported by the Trust.
- The Swiss-South African Co-Operation Initiative (SSACI) supports a range of training and job creation projects for South African youth. Its purpose is to enable young people to become more employable by aligning a vocational curriculum to industry's needs through workplace learning. The model comprises six to eight months full-time institutional training at an accredited training centre, followed by 18 months of structured, workplace-based training at a commercial company. Thereafter, the apprentice undergoes a further two to four weeks of trade test preparation before being entered for the trade test. A 6-month work readiness programme is included towards the end of the practical workplace-based training in order to prepare the apprentice for the world of work. The Company is currently supporting 10 learners who are in their first year of the programme. Successful learners will be hosted by I&J for their workplace-based training.
- Olico Maths Education provides high quality maths resources and after-school maths tuition, with a view to fundamentally transforming the academic performance of the students. Since 2022 the Company has sponsored the programme at the Alex High School.
- Safe Study started its programme in 2020 to create safe urban spaces in Johannesburg where underprivileged children can engage in foundation

learning programmes that combine arts, academic and mental wellness into one educational experience. The Company funding has contributed not only towards the operational needs of the programme but also the acquisition of much-needed equipment, the establishment of a facilitators programme for 10 of the volunteers to better equip them with accredited skills in Business Administration and New Venture Creation, and the establishment of a holiday programme for children aged 6 to 9 years.

- Sparrow Schools Educational Trust strives to provide disadvantaged children with cognitive barriers access to quality and accredited learning through the use of the Phono-Graphix programme. The programme gives teachers and learners the tools they need to open the door to literacy and has proven effective in addressing reading problems at any age or ability level.
- Read to Rise started in 2013 and is committed to promoting literacy in schools in under-resourced communities. The philosophy of the programme is that children need to read in order to rise in their personal development and contribution to society. The Company supports the delivery of this programme across schools in Soweto, Johannesburg, and Mitchells Plain.
- The Good Shepherd Primary School is a no-fee public school on private property in Makhanda (formerly Grahamstown) in the Eastern Cape. 315 learners from the surrounding low-income communities are currently enrolled from Grade R to Grade 7. In 2025 the Company contributed towards the reconfiguration and renovation of their computer laboratory. In F26 the Company provided funding for the operational costs of the computer laboratory and for the refurbishment of old classrooms.

Other worthy initiatives that the Company supported during the year were:

- The National Sea Rescue Institute ("the NSRI") of which I&J is a platinum member, and to which the Company makes an annual donation, is staffed by volunteers and has rescue bases along the coast and on inland waters. Over the years I&J has made a substantial contribution to the organisation's infrastructure, building a state-of-the-art rescue station in the Cape Town harbour, donating a number of rescue craft, and supporting the School Drowning Prevention Programme. This programme is aimed at teaching children how to recognise and react appropriately to threats posed by open bodies of water and to assist in helping those in a potential life-threatening situation. The Programme is a practical approach to drowning prevention using a host of basic swimming principles to increase the chances of survival and the Company supports this programme across schools in the Western Cape, Gauteng, and KwaZulu-Natal.

SUSTAINABLE DEVELOPMENT REPORT continued

- The Red Cross Children's Hospital (The Children's Hospital Trust), where I&J's contributions have, since 1997, funded the construction of consultation rooms, a radiology facility in the trauma unit, an isolation ward in the burn's unit, the upgrade and expansion of the Paediatric Intensive Care Unit, expansion of the Emergency Centre, and, in collaboration with government and the Red Cross Children's Trust, the establishment of the Child Speech and Hearing Clinic at the Mitchell's Plain Hospital. In the past year, the support from the Company contributed towards upgrading the hospital cafeteria to enhance the experience and wellbeing of staff, patients, caregivers, and visitors. The upgraded cafeteria will provide a more welcoming and comfortable environment and provide access to nutritious meals and refreshments during hospital visits and extended stays.
- The KZN Children's Hospital Trust which was established in 2011 to work in a public-private partnership with the KwaZulu-Natal Department of Health to renovate and re-establish services. This goes hand in hand with the restoration of the historical structures within the hospital precinct and the construction of a new 7-storey building. The Company has previously provided support for this programme and in F26 contributed a further amount towards the on-going construction and upgrading of the Child and Adolescent In-Patient Psychiatric Unit.
- The Whale Coast Conservation Trust ("WCCT") was established in 2002 with the mission of unifying, coordinating, and promoting environmentally sustainable living in the Cape Whale Coast region of the Western Cape. I&J has collaborated with the WCCT to inspire environmental learning and an understanding of one-planet/sustainable lifestyles through sponsorship of environmental education programmes. Following completion of the programme, schools are given "eco-school" status. The Company's continuing contributions assisted the Trust to present a series of expos and provide environmental tours, designed to make children aware of the critical ecological role that estuaries play in the Whale Coast area, to schools in the Gansbaai area. In addition, in F26, the Company contributed towards the publication of the 3rd edition of the WCCT's educational book series, "What a Wonderful World!". The project produced 250 full-colour books celebrating diversity, ecology, and conservation. Of these, 100 copies will be donated to schools, libraries, and other educational facilities in the Overstrand and surrounding communities, further strengthening environment education and inspiring young learners.
- Enactus promotes and supports leadership and professional development for registered students, challenging students to take entrepreneurial action to enable progress in order to ultimately improve the quality of life and standard of living of marginalised communities. Enactus brings together students, academics, and business leaders who are committed to using the power of entrepreneurial action. Guided by the academics and business leaders, the students create and implement community empowerment projects. During the past year, the Company supported the Enactus teams at the Tsolo Agriculture and Rural Development Institute, Sol Plaatjie University, University of the Free State, and University of Zululand.
- St Mary's Outreach Programme started in 2004 as a Catholic mission and now operates in the rural areas of Marianhill in KwaZulu-Natal, catering for destitute and unemployed youth, women, and children. The programme offers a home drop-in centre for orphaned and vulnerable children, which are currently being converted to Early Childhood Development centres, psychosocial counselling, a school health programme, community-based developments, income generation projects, and gardening projects.
- The Carel du Toit Centre, operated by the Carel du Toit Trust, offers detection, intervention, and treatment for hearing impaired children to enable them to enter mainstream schooling. Support by the Company enables the programme to have five school buses across five transport routes in the Western Cape for children whose parents are unable to pay for transport and to supplement teachers' salaries. The Centre is the only school of its kind in the Western Cape and most of the learners come from far outlying areas. More than 60% of the learners depend on the transport programme to get to school and back home. The Company has also provided funding for the development of a system for testing babies' hearing at birth, including the upskilling of selected persons with an accredited short course in Newborn Hearing Screening, which is a much-needed resource in the public health sector in particular. Parents of new-borns and young children are now able to access this service through community outreach programmes such as Children Hear and Talk (CHAT).
- Heart-Work reaches prisoners who have never been exposed to personal therapy or have never been afforded the opportunity to learn about their personal emotions in a controlled and secure environment, to curb the re-admittance rate that most prisoners experience, and to learn healthy coping mechanisms and integration skills. The Company's support has enabled the programme to be implemented in six correctional centres across Gauteng.
- Little Eden cares for children and adults with profound intellectual disabilities. They are provided with 24-hour nursing care, medicines, therapy, food, clothing, and shelter. The Company has adopted and fully supports five residents at the centre.
- The Domino Foundation partners with establishments such as early childhood development centres to provide meals, and with community organisations to provide relief hampers. The Foundation operates in 10 communities across KwaZulu-Natal and provides meals to over 60 establishments. The Company continues contributing towards these activities in KwaZulu-Natal.
- O Graceland and the Menstruation Foundation work

together towards ending period poverty through the provision of free, locally made, eco-friendly pads and the installation of pad vending machines. To date, the Company has sponsored the installation and monthly restocking of 10 sanitary pad dispensing machines at high schools in KwaZulu-Natal, Gauteng, and the Western Cape.

- One Voice South Africa is a small organisation with a big vision of a world where young people can actively engage with meaningful opportunities for personal development and raise their voices to bring about a healthier future for themselves and their communities. The Company's contributions assist with the Life Skills and Enterprise Projects with the new grade 8, 9 and 11 learners in 2 schools.
- The Saartjie Baartman Centre for Women and Children opened in 1999 in response to the high rates of violence against women and children on the Cape Flats. The Centre provides a multi-disciplinary service to manage and prevent violence and to assist those in need of support. The Company's contribution to the Centre will enable it to continue providing cost-free services, 365 days a year, to abused women and children, whilst at the same time working on programmes to address the underlying issues.
- BirdLife South Africa focuses on the conservation of birds, their habitats, and biodiversity through science-based programmes, sustainable natural resource use, and environment awareness initiatives. In F26 the Company contributed towards one of the key projects, namely the Albatross Task Force Project, which focuses on protecting 24 threatened Albatross and Petrel species, as well as the endangered Cape Gannet. The project promotes the use of bird-scaring lines (BSLs) to reduce seabird bycatch. The BSLs are manufactured in partnership with the Ocean View Association for Persons with Disabilities, creating permanent employment for 10 people and supporting more than 50 members of the centre.
- Sakeliga is an independent business organisation that uses public-interest litigation and alternative structures to shape a flourishing business environment. In F26 the Company contributed towards the organisation's operational costs, ensuring continued delivery of its services.
- The Harry Birrell Scholarship Trust was founded in 1996 to provide talented and academically gifted learners from disadvantaged backgrounds with access to some of South Africa's top schools in the Eastern Cape, including St Andrew's College, the

Diocesan School for Girls, Victoria Girls' High School, Graeme College, and Good Shepherd Primary School. The Company has partnered with the Harry Birrell Scholarship Trust to provide full scholarships for four deserving learners, including two female learners who will attend Victoria Girls' High School, and two male learners who will attend Graeme College.

The Company has also been involved in or made ad hoc donations to a number of other important initiatives, such as the South African Air Force Association, Seesterretjies ECD Centre, Jicama 89, Focus on iThemba, Common Good Foundation, Rainbow Kids, Ladles of Love, Tears Foundation, Emuseni Centre for the Aged, Go for Gold Tuition, Carmen Stevens Foundation, CHANCE Children's Home, Miqlat NPC, Thomson Smillie, Abraham Kriel Children's Home, Look Good Feel Good, Ntsika Ye Sizwesethu, Drakenstein Farm, Gift of the Givers, Winterberg School Trust, Rise against Hunger, Operation Smile, Ocean View for People with Disabilities, Another Chance to Change, Manger Care Centre, Centre of Excellence, and Christel House of South Africa.

In addition to contributions made to various organisations by the Trust, I&J also contributed R1,1 million directly to a number of programmes aimed at the communities in which its employees live and work, such as the Service Dining Rooms, Seesterretjies ECD Centre, Eleven Express Football Club, The Homestead Project for Street Children, Heideveld Rescue Mission, The Trauma Centre for Survivors of Violence, and SA Harvest.

At a more personal level, the Company's employees are encouraged to become involved with their local communities on Company sponsored employee volunteer days. All of the projects are selected from organisations with which the Company has established relationships, and the Company gives employees time off to provide their services to these projects. In July 2026 employees across the Group participated in various Mandela Day activities, including, a Ladles of Love Mandela Day Craft and Create ECD Kits initiative, a hospital visit to the Red Cross Children's Hospital by I&J employees, a hospital visit to the KZN Children's Hospital for the Westmead Snackworks employees, Rise Against Hunger initiatives in Cape Town and Durban, a clean-up painting campaign at Little Eden, as well as the Nokuphila clean-up campaign.

SUSTAINABLE DEVELOPMENT REPORT continued

Good corporate citizenship

The Company recognises the benefits of being a good corporate citizen with a commitment to contributing to sustainable economic, social, and environmental development. This is achieved through working with employees, their families, the local communities, and society at large to improve quality of life, and being an organisation with which it is desirous to do business.

Labour data and practices

Number of employees by type of employment (South Africa at 30 June)	2026	2025
Fixed term contract	392	533
Fixed term contract – in-service trainee	–	–
Fixed term contract – learnership	184	132
Permanent	7 520	7 676
Number of employees by type of employment (Namibia, Zambia, and Botswana) at 30 June		
Fixed term contract	12	5
Permanent	263	281

All employees (permanent and fixed term) by region and gender (at 30 June 2026)

Region	Male	Female
Eastern Cape	148	111
Free State	135	72
Gauteng	1 813	1 487
KwaZulu-Natal	856	638
Limpopo	29	41
Mpumalanga	53	40
Northern Cape	6	5
North West	17	20
Western Cape	1 554	1 071
Namibia, Botswana, and Zambia	223	52

	2026	2025
Number of permanent employees (South Africa at 30 June)*	7 520	7 676
Gender split (%) (including Foreign)		
• Male	57	57
• Female	43	43
Ethnic split (%)		
• African	73	73
• White	5	5
• Indian	4	4
• Coloured	17	17
• Foreign	1	1
Ethnic and gender split (%)		
• Black (African, Indian, and Coloured) male	41	53
• White male	3	3
• Black (African, Indian, and Coloured) female	53	41
• White female	2	2
• Foreign	1	1

* This number is measured as at 30 June and may therefore differ from the numbers reported under the skills development section of this report where the numbers are reported as total persons in the employ of the Company throughout F26.

	2026	2025
Number of permanent employees (Namibia, Zambia, and Botswana at 30 June)	263	281
Gender split (%) (including Foreign)		
• Male	81	84
• Female	19	16
Ethnic split (%)		
• African	99	99
• White	0,75	0,7
• Indian	0	0
• Coloured	0,75	0,3
• Foreign	0	0
Ethnic and gender split (%)		
• Black (African, Indian, and Coloured) male	80	83
• White male	0,5	0,35
• Black (African, Indian and Coloured) female	19	16,3
• White female	0,5	0,35
• Foreign	0	0

Employee Movements – South Africa at 30 June 2026 (including intra-Group transfers and changes in contract from Fixed Term Contract to Permanent and Permanent to Fixed Term Contract)

Region	Age Group	Fixed Term Contracts (all types)				Permanent			
		Female		Male		Female		Male	
		Entry	Exit	Entry	Exit	Entry	Exit	Entry	Exit
Eastern Cape	<20	2	0	1	0	0	0	0	0
	20 – 40	16	16	18	17	11	7	11	17
	41 – 60	2	1	2	2	3	6	2	1
Free State	20 – 40	4	3	13	10	9	8	17	20
	41 – 60	1	1	0	0	3	0	3	6
Gauteng	<20	7	3	13	7	1	1	2	0
	20 – 40	131	109	140	121	77	109	105	141
	41 – 60	18	14	6	2	6	52	17	98
	60+	0	2	1	3	0	1	0	8
KwaZulu-Natal	<20	1	2	6	4	0	0	1	0
	20 – 40	63	54	77	54	19	39	30	62
	41 – 60	4	2	3	0	2	20	7	32
	60+	1	0	1	2	0	0	0	3
Limpopo	<20	1	1	0	0	0	0	1	0
	20 – 40	16	15	8	8	5	1	3	9
	41 – 60	0	0	0	0	0	3	0	0
Mpumalanga	20 – 40	18	16	21	15	5	8	4	4
	41 – 60	0	0	0	0	0	1	0	0
Northern Cape	20 – 40	3	2	3	2	0	2	1	2
North West	20 – 40	4	3	4	4	1	5	1	4
	41 – 60	0	0	0	0	0	0	0	1
Western Cape	<20	3	8	13	11	0	1	2	0
	20 – 40	147	159	183	131	25	39	59	79
	41 – 60	10	9	34	17	7	26	10	46
	60+	0	0	5	7	0	0	0	0

SUSTAINABLE DEVELOPMENT REPORT continued

The Company is committed to compliance with all applicable employment and labour laws and regulations in the jurisdictions in which the Company operates, as well as other principles, including the ILO Labour Standards, the OECD Guidelines, and the UN conventions.

Freedom of association and protection of the right to collective bargaining

Every employee has the right to form, join, and organise trade unions or other organisations of their choice for furthering and defending their interests, and to bargain collectively with the Company as set out more fully in Chapters II and III of the LRA, and as read with the relevant ILO Standards, including those on freedom of association, protection of the right to organise, and collective bargaining. The Company respects these rights and does not interfere with the exercise thereof. Elected employee representatives are not subject to discrimination, harassment, intimidation, or retaliation for reason of their being members of a trade union or participating in trade union activities.

Of the Company's permanent employees, 38,66% of South African employees, 31,72% of Botswana employees, and 0% of Namibian and Zambian employees, are members of recognised trade unions covered by collective agreements defining the terms of the relationship between the Company, the unions, and the members, as well as their engagement on matters ranging from operational changes to annual negotiations on wages and other substantive issues. Union engagement is managed at an executive level within the subsidiaries, with oversight from the Company.

Equal remuneration

In accordance with ILO convention number 100, equal remuneration refers to *"rates of remuneration established without discrimination based, directly or indirectly, on sex."* The Company ensures that the application of the principle of equal remuneration for persons of all genders for work of equal value is entrenched in its remuneration practices through the adoption of non-discriminatory benchmarking, job grading and salary scales.

All employees are remunerated based on either external benchmarking and salary surveys or in accordance with collective wage agreements and/or applicable sectoral determinations, all of which exceed the legislated minimum wages and take account of consumer inflation.

Discrimination

The Company does not allow any unfair distinction, exclusion, or preference between employees made on the basis of race, colour, sex, religion, political opinion, national extraction, social origin, or any other ground as set out in, inter alia, the Employment Equity Act, 1998, or the ILO Labour Standards. The Company applies a strict non-discrimination policy, designed to promote equal opportunities and diversity, relating to: recruitment procedures (including advertising, selection and

appointments); job classification and grading, remuneration and benefits, terms and conditions of employment; job assignments; work environment and facilities; training and development; performance and evaluation; promotions; transfers; succession and experience planning; disciplinary measures; dismissals; corporate culture; reasonable accommodations; and HIV/AIDS and other wellness programmes. During the year, no infringements of discrimination were reported.

Employment relationships

The Company complies with the provisions of the Basic Conditions of Employment Act, 1997 ("BCEA"), and the LRA, relating to ensuring that the employment relationship between the Company and its employees is clearly documented and defined.

The businesses endeavour to ensure that they maintain sustainable permanent workforce levels with a view to providing regular employment, but during peak manufacturing season or fishing season the Company will employ temporary employees in certain capacities. These employees are either provided with written fixed-term contracts of employment, which comply with relevant legislation or collective agreements, and are remunerated according to industry benchmarks (well above the legislated minimum wage) or, in the case of the fishing industry, in accordance with the industry collective agreements.

In addition to permanent and fixed-term contract employees, seasonal workers will be employed through temporary employment service providers and contractors will be employed in terms of substantive agreements with service providers in respect of non-core Group functions such as security, cleaning, and catering. Seasonal workers and contractors will have employment agreements with the relevant service providers, who manage all aspects of their remuneration, benefits, working hours, etc. Service providers are required to comply with applicable laws (including those relating to remuneration and employment conditions), as well as the AVI supplier code.

When the businesses are contemplating retrenchments based on operational requirements, these are done strictly in accordance with the provisions of the LRA. The process will include a meaningful joint-consensus seeking process to address all of the matters contemplated in the LRA, including, but not limited to, how to avoid or minimise the retrenchments, ways to mitigate the adverse effects, which employees will be retrenched, and the severance pay for retrenched employees.

99% of the employees in the Company's total South African operations are South African citizens. In Namibia, Zambia, and Botswana, 100% of employees are citizens of those countries. 100% of the Company's top and senior management are South African citizens or permanent residents.

All employees, whether permanent, part-time, or fixed term, have written contracts of employment, which comply with local legislation. All terminations of employment are done strictly in accordance with relevant legislation. Dismissed employees who dispute the procedural or substantive fairness of their dismissal, have access, at no cost to them, to the Commission for Conciliation, Mediation and Arbitration. No large-scale redundancies or job cuts (affecting more than 1 000 or 5% of employees) were undertaken during the year under review.

Human resources development

The Company is committed to the development of its employees, details of which are set out more fully throughout this report and, in particular, in the Skills Development section on page 66. The Company complies with its obligations in terms of the Skills Development Act, 1998, and the Skills Development Levies Act, 1999.

Remuneration, working hours, and paid leave

Salaries and wages paid to employees meet or exceed legislated minimum standards. Working hours, overtime, shift allowances, salary deductions, and other remuneration and working hours-related matters (including rest periods, paid leave, part-time work, and night work) comply with applicable legislation, including the BCEA, the Income Tax Act, 1962, and relevant Sectoral Determinations, as read with relevant ILO Labour Standards.

All employees are entitled to, at least, the minimum leave benefits as provided for in the BCEA, or the relevant Sectoral Determination, the AVI Group Leave Policy, or an applicable collective bargaining agreement, as the case may be, including, as applicable, annual leave, maternity leave, parental leave, adoption leave, commissioning parental leave, and family responsibility leave. Where appropriate, the Group leave policy also makes provision for ad hoc discretionary leave to be given in extraordinary circumstances or where additional leave is negotiated and agreed on in terms of the collective bargaining structures.

Maternity benefits

Employees are entitled to the maternity benefits set out in the BCEA, or the Company Group Leave Policy or an applicable collective bargaining agreement, as the case may be. AVI also complies with its obligations relating to working during maternity leave as set out in the BCEA, and the Code of Good Practice on the Protection of Employees during Pregnancy and After the Birth of a Child.

Child labour

In accordance with the recommendations of ILO convention numbers 138 and 182, and the UN Convention on the Rights of the Child, South Africa has defined a “child” in the BCEA, as “a person who

is under 18 years of age”. The Company complies with all South African laws in respect of the employment of children. The Company respects and supports the rights of all children and endorses the UNICEF Children’s Rights and Business Principles.

Forced and compulsory labour

Forced labour is defined in the ILO convention number 29 as “all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily”. All forms of forced labour are absolutely prohibited in the Company.

Income security

Membership of a Group retirement fund is compulsory for all permanent employees (including flexitime and part-time permanent employees). There are no permanent employees in any of the countries in which the Company does business, who are not members of a Group retirement fund. Such membership includes life and disability cover, with some of the funds also providing funeral benefits. Fixed-term employees are not eligible to join one of the Group’s retirement funds. The Company complies with all statutory obligations in terms of the Unemployment Insurance Act, 2001, and the Unemployment Insurance Contributions Act, 2002.

Medical care

Membership of a Group medical scheme is compulsory for all permanent employees within the D, E, and F bands and optional for other permanent employees. Employees in the A, B and C bands who elect not to join the medical scheme, have access to healthcare either through on-site clinics or the public healthcare system. Fixed-term employees are not eligible to join one of the Group’s medical schemes. All employees have access to at least paid sick leave in accordance with the BCEA. Where appropriate, the Group leave policy also makes provision for ad hoc discretionary sick leave to be given in extraordinary circumstances or where additional leave is negotiated and agreed on in terms of the collective bargaining structures.

Labour inspections

The Company understands and accepts the rights of the Department of Employment and Labour to undertake labour inspections of its businesses and cooperates fully with labour inspectors.

Maritime labour

The Company complies with all applicable laws and regulations relating to maritime labour in South Africa including the Merchant Shipping Act, 1951, and the Marine Living Resources Act, 1998, underpinned by the ILO Maritime Labour Convention, 2006, to which South Africa is a signatory.

SUSTAINABLE DEVELOPMENT REPORT continued

Compliance

The Company requires the subsidiaries to have appropriate policies and procedures in place to address employee and industrial relations issues and to ensure that these policies and procedures are communicated to all employees and other relevant stakeholders.

Relevant labour and employment-related legislation, which is complied with by the Company, includes but is not limited to the:

- BCEA;
- National Minimum Wage Act, 2018;
- LRA;
- Employment Equity Act, 1998;
- Skills Development Act, 1998;
- Skills Development Levies Act, 1999;
- Compensation for Occupational Injuries and Diseases Act, 1993;
- Unemployment Insurance Act, 2001; and
- Unemployment Insurance Contributions Act, 2002.

The supplier code makes it compulsory for all suppliers and service providers to the Company to comply with all relevant employment and labour laws and regulations in the jurisdictions in which the Company operates.

Human Rights

The Company believes in, recognises, and supports the inherent dignity, and equal and inalienable rights, of all people.

The Company commits to respecting the rights set out in the Bill of Rights contained in Chapter 2 of the Constitution of the Republic of South Africa, 1996, the United Nations Universal Declaration of Human Rights, the OECD Guidelines, and the ILO Labour Standards, and to ensuring that neither the Company nor its employees are complicit in the violation of human rights.

The Company expects all employees and other stakeholders to understand and support these rights and to take all steps reasonably practicable to ensure that they do not commit and are not complicit in the violation of human rights. During the year, no infringements of any employee's human rights were reported.

Health, safety, and wellness

The Company provides a healthy and safe work environment to its employees as a basic right and recognises that such a workplace enhances employee morale and productivity. It is also recognised that a healthy and safe workplace is essential particularly in the food handling industry and ensures that consumers are protected, and product quality is assured.

Health and safety requirements are firstly monitored and reviewed within the risk management framework of the Company and legislative compliance is required as a minimum standard. The requisite health and safety committees are in place, and training occurs on an ongoing basis. These on-site committees deal with issues as and when required, and if necessary, they elevate matters to the internal review committees to which they

report. If necessary, matters are referred to the Company's Board or Audit and Risk Committee. In addition, the Social and Ethics Committee monitors these matters. There are also various supplementary health and wellness initiatives that form part of the Company's employee engagement framework.

Statistically the Company's safety record is viewed against the industry standard disabling injury frequency rate ("DIFR"), which measures the percentage of employees that suffer a disabling injury for every 200 000 man hours worked. A disabling injury is an injury that causes an employee to miss a shift following the one on which they were injured. The Company experienced 100 disabling injuries. These injuries resulted in 1 128 lost days for the year, and an achieved DIFR of 0,90 for the year, above the target DIFR of 0,69.

The Company categorises all injuries into one of three classes. Class 1 being damage that permanently alters a person's life or results in a fatality, to class 3 that inconveniences a person's life. During the year under review there were 4 class 1 injuries, 7 class 2 injuries, and 89 class 3 injuries. None of the class 1 injuries resulted in death. All injuries were properly reported and investigated, and remedial and preventative actions taken, including where necessary, additional, or improved employee training or changes to the work environment. Throughout the businesses steps are taken to proactively identify and prevent potentially harmful situations and improve employee training.

In response to work-related upper limb disorders caused by repetitive motion, Indigo Brands implemented an ergonomic programme whereby an Occupational Therapist conducted assessments to highlight undesirable ergonomic conditions and practices. Reported cases have reduced owing to ergonomic education interventions, equipment modifications and investments, and the rotation of employees in line with the Occupational Therapist's recommendations. Conservative treatment cases are managed through weekly engagements with the Indigo Brands-appointed doctor, Occupational Therapists, Physiotherapists, and Operational Managers, to prevent injuries.

The high safety standards adopted by the operations are continually being enhanced by accreditations from independent standard-regulating authorities.

Store robberies in the retail sector remain problematic. Spitz is taking all practical measures to limit the probabilities of, and risks associated with robberies in their Spitz, Kurt Geiger, Gant, and Eden Park stores, including continually updating and improving electronic surveillance, and physical security measures. As staff safety is paramount, staff are trained on how to react in the event of a robbery. In addition, Spitz maintains a close relationship with the AVI Employee Wellness Programme to ensure that affected staff receive counselling after any traumatic event.

Primary healthcare clinics are located at each of the Company's larger sites, manned on a full-time or part-time basis by appropriate medical professionals. These clinics are well equipped to play a material role in the day-to-day healthcare management of the Company's shop floor employees, and in a number of instances provide basic medication to these employees as well as an outreach programme for immediate family members. They also facilitate the management and distribution of chronic medication to employees with chronic conditions, primarily hypertension, diabetes, and HIV/AIDS. Since 2020 the clinics have also been used for COVID-19 screening, and the medical staff perform an essential role in screening and identifying high risk employees to enable appropriate mitigation measures to be implemented. The clinics also perform annual and occupational medical checks for all employees, facilitate voluntary counselling and training ("VCT") programmes, and provide flu vaccines to high-risk employees, all at no cost to the employees.

Utilisation levels of the employee wellness programme, managed by Lyra Health and introduced throughout the Company during April 2009, remain constant and the programme is well used by the Company's HR community, the Company's employees, and their immediate families. The employee wellness programme covers areas that address the entire spectrum of psychosocial stressors in the workplace and at home, lifestyle diseases, and work-life balance by providing an independent, impartial, professional, and confidential counselling and advisory service that extends beyond healthcare and, among other services, gives the Company's employees and their immediate family members access to financial and legal advisory services. The Company and its subsidiaries continue to actively promote the use of the employee wellness programme.

In addition to the formal employee wellness programme, a number of sites hold wellness programmes and days on matters such as diabetes; tuberculosis; HIV/AIDS; eye care; cancer awareness; and generally maintaining a healthy lifestyle. Compliance with applicable labour legislation pertaining to working hours, overtime, and leave, ensure employees maintain a healthy work-life balance. Where operationally possible, the businesses implement workplace flexibility, which may include flexible working hours or working from home, as appropriate.

The supplier code makes it compulsory for all suppliers and service providers to the Company to have procedures and systems in place to prevent, manage, track, and report occupational injuries and illnesses; and to provide their employees with access to clean ablution facilities, food preparation areas, storage, clean drinking water, and eating facilities.

Manufacturing certifications and accreditations

All of the National Brands manufacturing facilities maintained their Food Safety System Certification ("FSSC") 22000 V5.1, with some of the factories already having been audited according to the new FSSC V6 standard. The American Institute of Baking ("AIB") Food Safety Standard is a Good Manufacturing Practice ("GMP") certification and covers GMP to a higher extent than is done in the FSSC standard. To date the Isando and Westmead Biscuit factories have carried both the FSSC and AIB certifications, but the GMP audits (against the principles and philosophies of the AIB-GMP standards), are now done internally, and a decision has been made to no longer use AIB for GMP auditing and certification. The AIB will, however, continue auditing the Biscuit factories against the FSSC standard (which also include GMP). All National Brands factories acquired and maintained their annual Certificates of Acceptability (now the R638 certificate) from their local municipal authorities and maintained their ISO 45001 Occupational Health and Safety Management and ISO 14001 Environmental Management System certifications.

The Indigo Brands cosmetics and aerosol factories are ISO 9001:2015 (Quality Management System), ISO 22716:2007 (Cosmetics Good Manufacturing Practice) and SANS 1841 (Control of Quality: Trade Metrology Act) certified and its aerosol products bear the AMA Approved Mark, being an industry-wide quality and safety stamp managed by the Aerosol Manufacturers' Association (AMA) in South Africa. It verifies that aerosol products are safely manufactured, environmentally responsible, and fully compliant with local laws and trade standards. In the year under review Indigo Brands maintained compliance against all of these certifications. Indigo Brands actively works with its suppliers and conducts supplier evaluations in the form of cross-functional workshops and engagements, document verification/traceability and/or quality management system audits. This enhances the businesses' quality management capabilities, thus creating greater reliability regarding incoming raw materials and componentry.

The I&J Woodstock and Value Added Processing sites have Hazard Analysis and Critical Control Points accreditation, which is regulated by the National Regulator for Compulsory Specifications. Both sites also achieved an "A" rating with British Retail Consortium for Global Standards ("BRC") and retained Higher Level International Food Standard ("IFS") global food safety certification. Other certifications include Marine Stewardship Council ("MSC") Chain of Custody Certification (a sustainability certification) and SANS 1841 (Control of Quantity – Trade Metrology Act) certification.

SUSTAINABLE DEVELOPMENT REPORT continued

The independent Micro laboratory (MICRON) at the Woodstock factory has SANAS 17025 accreditation. The I&J chicken processing plant is ZA 111 certified (certification by DALRRD allowing the processing of chicken products). In addition to applying standards to the Company's own operations, the factories continue to make progress through supplier audits with a view to having all their suppliers certified to a recognised Food Safety standard. In accordance with customer requirements, the BSCI social audit was conducted in November 2025 and achieved favourable results. The BSCI code of conduct and the SMETA audit refer to international conventions such as the Universal Declaration of Human Rights, the UNICEF Children's Rights and Business Principles, the UN Guiding Principles for Business and Human Rights, the OECD Guidelines, the UN Global Compact, and the ILO conventions and recommendations relevant to improve working conditions in the supply chain.

All of the Company's sites are reviewed annually by independent risk management consultants and continual improvement is driven through risk committees at each site, which in turn report their findings to the Company's Audit and Risk Committee, which has the responsibility for the consideration of risk management throughout the Group.

The Company is a Top 50 subscriber to the Food Safety Initiative which operates under the auspices of the

Consumer Goods Council of South Africa. It takes all reasonable steps to collaborate with stakeholders to ensure that food produced, distributed, and marketed in South Africa meets with the highest standards of food safety and nutrition, and complies with legal requirements or recognised codes of good practice.

The Company has a formal HIV/AIDS policy which details, inter alia, the Company's philosophy, responsibilities, and support programmes. Flowing from this, policies and practices have evolved over the years that include the placement of permanent clinics at the larger sites; knowledge, attitude, and practices surveys; awareness and education programmes; voluntary counselling and testing programmes; individual case management; the provision of universal precautions to prevent accidental transmission in the workplace; and the dispensing of free condoms. From time to time, the businesses also run additional campaigns, such as awareness campaigns via WhatsApp groups and quarterly newsletters.

Following the success of the Company-wide HIV/AIDS VCT programme that was introduced in 2007, the Company offers this service at all sites to all employees. The VCT programme achieves the objectives of raising awareness, significantly increasing the number of employees that know their HIV status, and providing the Company with detailed information per site so that its efforts are appropriately focused.



GRI content index of material issues reported for the period 1 July 2025 to 30 June 2026 with reference to the 2021 GRI Standards

DISCLOSURE	REFERENCE
GRI 2: General Disclosures	
2-1 Organisational details: (a) Legal name (b) Nature of ownership and legal form (c) Location of headquarters (d) Countries of operation	Inside back cover, 138, 135, 152 to 155
2-2 Entities included in the organisation's sustainability reporting: (a) List all entities (b) List of entities included in financial reporting (c) Any differences between list of all entities and list of entities included in financial reporting (d) Approach used for consolidating information, including: whether the approach involves adjustments to minority interests; how the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities; whether and how the approach differs across the disclosures in this standard and across material topics	Inside back cover, 152 to 155
2-3 Reporting period, frequency, and contact point: (a) Reporting period for and frequency of sustainability reporting (b) Reporting period for financial reporting and, if not aligned to sustainability reporting, explain the reason (c) Publication date of the report or reported information (d) Contact point for questions	Inside back cover, 152 to 155
2-4 Restatements of information: Restatements from previous reporting periods and explain: reasons for restatements; effect of restatements	Entire Integrated Annual Report, where appropriate
2-5 External assurance: (a) Describe policy and practice for seeking external assurance including whether and how the highest governance body ("board") and senior executives are involved (b) If the sustainability reporting has been externally assured: provide a link or reference to the external assurance report or statements; describe what has been assured and on what basis, including standards used, level of assurance obtained, and any limitation of the assurance process; describe the relationship between the organisation and the assurance provider	35 and 36, 104, 145 to 151
2-6 Activities, value chain, and other business relationships: (a) Sector in which organisation is active (b) Describe the value chain, including: organisations activities, products, services and markets served; supply chain; entities downstream from the organisation and their activities (c) Other relevant business relationships (d) Significant changes in 2-6-a, 2-6-b, and 2-6-c compared to previous reporting period	1
2-7 Employees: (a) Total number of employees and breakdown by gender and region (b) Total number, by gender and region, of: permanent employees; temporary employees; non-guaranteed hours employees; full-time employees; part-time employees (c) Methodologies and assumptions used to compile the data and whether the numbers are reported: in head count, full time equivalent, or other methodology; at the end of the reporting period, as an average across the reporting period, or using another methodology (d) Contextual information necessary to understand the data reported under 2-7-a and 2-7-b (e) Significant fluctuations in the number of employees during the reporting period and between reporting periods	74 to 79
2-8 Workers who are not employees: (a) Total number of workers who are not employees and whose work is controlled by the organisation and describe: most common types of workers and their contractual relationships with the organisation; type of work they perform (b) Describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: in head count, full time equivalent, or using another methodology; at the end of the reporting period, as an average across the reporting period, or using another methodology (c) Significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods	74 to 79
2-9 Governance: (a) Describe the governance structure, including committees of the board (b) List the committees of the board that are responsible for decision making on and overseeing the management of the organisation's impacts on the economy, environment, and people (c) Composition of the board and its committees by: executive and non-executive members; independence; tenure of members; number of other significant positions and commitments held by each member, and the nature of the commitments; gender; under-represented social groups; competencies relevant to the impacts of the organisation; stakeholder representation	96 to 104

SUSTAINABLE DEVELOPMENT REPORT continued

DISCLOSURE	REFERENCE
GRI 2: General Disclosures	
2-10 Nomination and selection of the board: (a) Describe the nomination and selection processes for the board and its committees (b) Describe the criteria used for nominating and selecting board members, including whether and how the following are taken into consideration: views of stakeholders (including shareholders); diversity; independence; competencies relevant to the impacts of the organisation	96 to 104
2-11 Chair of the board: (a) Whether the chair of the board is also a senior executive (b) If the chair is also a senior executive, explain their function within the organisation's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated	96 to 104
2-12 Role of the board in overseeing the management of impacts: (a) The role of the board and of senior executives in developing, approving, and updating the organisations purpose, value or mission statements, strategies, policies and goals related to sustainable development (b) The role of the board in overseeing the organisation's due diligence and other processes to identify and manage the organisation's impacts on the economy, environment, and people, including: whether and how the board engages with stakeholders to support these processes; how the board considers the outcomes of these processes (c) Role of the board in reviewing the effectiveness of the organisation's processes as described in 2-12-b and report the frequency of this review	96 to 104
2-13 Delegation of responsibility for managing impacts: (a) How the board delegates responsibility for managing the organisation's impacts on the economy, environment and people, including: whether it has appointed any senior executives for responsibility for the management of impacts; whether it has delegated responsibility for the management of impacts to other employees (b) Process and frequency for senior executives or other employees to report back to the board on the management of the organisation's impacts on the economy, environment, and people	96 to 104
2-14 Role of the board in sustainability reporting: (a) Whether the board is responsible for reviewing and approving the reported information, including the organisation's material topics, and, if so, the process for reviewing and approving the information (b) If the board is not responsible for reviewing and approving the reporting information, including the material topics, explain the reason for this	96 to 104
2-15 Conflicts of interest: (a) Processes for the board to ensure that conflicts of interest are prevented and mitigated (b) Whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts relating to: cross-board memberships; cross-shareholding with suppliers and other stakeholders; existence of controlling shareholders; related parties, their relationships, transactions, and outstanding balances	96 to 104
2-16 Communication of critical concerns: (a) Whether and how critical concerns are communicated to the board (b) Total number and nature of critical concerns communicated to the board during the reporting period	96 to 104
2-17 Collective knowledge of the board: Measures taken to advance the collective knowledge, skills, and experience of the board on sustainable development	96 to 104
2-18 Evaluation of the performance of the board: (a) Processes for evaluating the performance of the board in overseeing the management of the organisation's impacts on the economy, environment, and people (b) Whether the evaluations are independent or not, and the frequency of the evaluations (c) Actions taken in response to the evaluations, including changes to the composition of the board and organisational practices	96 to 104
2-19 Remuneration policies: (a) Describe the remuneration policies for members of the board and senior executives, including: fixed pay and variable pay; sign-on bonuses or recruitment incentive payments; termination payments; clawbacks; retirement benefits (b) How the remuneration policies for members of the board and senior executives relate to their objectives and performance in relation to the management of the organisation's impacts on the economy, environment, and people	76, 107 to 133
2-20 Process to determine remuneration: (a) Process for designing remuneration policies and for determining remuneration, including: whether independent board members or an independent remuneration committee oversees the process; how the views of stakeholders (including shareholders) of remuneration are sought and taken into consideration; whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organisation, its board and senior executives (b) Results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable	107 to 133
2-21 Annual total compensation ratio: (a) Ratio of the annual total compensation for the organisation's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) (b) Ratio of the percentage increase in annual total compensation for the highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) (c) Contextual information necessary to understand the data and how the data has been compiled	107 to 133

DISCLOSURE	REFERENCE
GRI 2: General Disclosures (continued)	
2-22 Statement on sustainable development strategy: Statement from the board or most senior executives about the relevance of sustainable development to the organisation and its strategy for contributing to sustainable development	4 to 9, 34 to 80
2-23 Policy commitments: (a) Policy commitments for responsible business conduct, including: authoritative intergovernmental instruments that the commitments reference; whether the commitments stipulate conducting due diligence; whether the commitments stipulate applying the precautionary approach; whether the commitments stipulate respecting human rights (b) Policy commitment to respect human rights, including: internationally recognised human rights that the commitment covers; categories of stakeholders, including at-risk and vulnerable groups, that the organisation gives particular attention to in the commitment (c) Links to the policy commitments if publicly available or, if the policy commitments are not publicly available, explain the reason for this (d) Level at which each of the policy commitments was approved within the organisation, including whether this is the most senior level (e) Extent to which the policy commitments apply to the organisation's activities and its business relationships (f) How the policy commitments are communicated to workers, business partners, and other relevant parties	34 to 80
2-24 Embedding policy commitments: How the organisation embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: how it allocates responsibility to implement the commitments across different levels within the organisation; how it integrates the commitments into organisational strategies, operational policies, and operational procedures; how it implements its commitments with and through its business relationships; training provided on implementing the commitments	34 to 80
2-25 Processes to remediate negative impacts: (a) Commitments to provide for or cooperate in the remediation of negative impacts that the organisation identifies it has caused or contributed to (b) Approach to identify and address grievances, including the grievance mechanisms that the organisation has established or participates in (c) Other processes by which the organisation provides for or cooperates in the remediation of negative impacts that it has identified or contributed to (d) How the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms (e) How the organisation tracks the effectiveness of the grievance mechanisms and other remediation processes, and reports examples of their effectiveness, including stakeholder feedback	34 to 80
2-26 Mechanisms for seeking advice and raising concerns: Describe the mechanisms for individuals to: seek advice on implementing the organisation's policies and practices for responsible business conduct; raise concerns about the organisation's business conduct	34 to 80
2-27 Compliance with laws and regulations: (a) Total number of significant instances of non-compliance with laws and regulations during the reporting period and a breakdown of this total by: instances for which fines were incurred; instances for which non-monetary sanctions were incurred (b) Total number and monetary value of fines for instances of non-compliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: fines for instances of non-compliance with laws and regulations that occurred in the current reporting period; fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods (c) Significant instances of non-compliance (d) How the organisation has determined significant instances of non-compliance	54 and 55
2-28 Membership associations: Industry associations, other membership associations, and national or international advocacy organisations in which the organisation participates in a significant role	38
2-29 Approach to stakeholder engagement: Approach to engaging with stakeholders, including: categories of stakeholders and how they are identified; purpose of the stakeholder engagement; how the organisation seeks to ensure meaningful stakeholder engagement	37 and 38
2-30 Collective bargaining agreements: (a) Percentage of total employees covered by collective bargaining agreements (b) For employees not covered by collective bargaining agreements, whether the organisation determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organisations	76

DISCLOSURE	REFERENCE
GRI 201 – Economic Performance	
201-1 Direct economic value generated and distributed: (a) Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organisation's global operations. If data is presented on a cash basis, report the justification for this decision in addition to reporting the following basis components: direct economic value generated: revenues; economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments; economic value retained: 'direct economic value generated' less 'economic value distributed' (b) Where significant, report EVG&D separately at country, regional, or market levels, and the criteria for defining significance	29 and 30
201-2 Financial implications and other risks and opportunities due to climate change: (a) Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including: a description of the risk or opportunity and its classification as either physical, regulatory, or other; a description of the impact associated with the risk or opportunity; the financial implications of the risk or opportunity before action is taken; the methods used to manage the risk or opportunity; the costs of action taken to manage the risk or opportunity	45 and 46, 59 to 63
201-3 Defined benefit plan obligations and other retirement plans: (a) If the plans liabilities are met by the organisation's general resources, the estimated value of those liabilities (b) If a separate fund exists to pay the plan's pension liabilities: the extent to which the schemes liabilities are estimated to be covered by the assets that have been set aside to meet them; the basis on which that estimate has been arrived at; when that estimate was made (c) If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage (d) Percentage of salary contributed by employee or employer (e) Level of participation in retirement plans	159 and 160, 185 and 186
201-4 Financial assistance received from government: (a) Total monetary value of financial assistance received by the organisation from any government during the reporting period, including: tax relief and tax credits; subsidies; investment grants, research and development grants, and other relevant types of grant; awards; royalty holidays; financial assistance from Export Credit Agencies (ECAs); financial incentives; other financial benefits received or receivable from any government for any operation (b) The information in 201-4-a by country (c) Whether, and the extent to which, any government is present in the shareholding structure	None
GRI 202: Market Presence	
202-1 Ratios of standard entry level wages by gender compared to local minimum wage: (a) When a significant proportion of employees are compensated based on wages subject to minimum wage rules, report the relevant ratio of the entry level wage by gender at significant locations of operation to the minimum wage (b) When a significant proportion of other workers (excluding employees) performing the organisation's activities are compensated based on wages subject to minimum wage rules, describe the actions taken to determine whether these workers are paid above the minimum wage (c) Whether a local minimum wage is absent or variable at significant locations of operation, by gender. In circumstances in which different minimums can be used as a reference, report which minimum wage is being used (d) The definition used for 'significant locations of operation'	Not reported*
202-2 Proportion of senior management hired from the local community: (a) Percentage of senior management at significant locations of operation that are hired from the local community (b) The definition used for 'senior management' (c) The organisation's geographical definition of 'local' (d) The definition used for 'significant locations of operation'	Not reported*
GRI 203: Indirect Economic Impacts	
203-1 Infrastructure investments and services supported: (a) Extent of development of significant infrastructure investments and services supported (b) Current or expected impacts on communities and local economies, including positive and negative impacts where relevant (c) Whether these investments and services are commercial, in-kind, or pro bono engagements	2 and 3, 11 to 25, 27, 30
203-2 Significant indirect economic impacts: (a) Examples of significant identified indirect economic impacts of the organisation, including positive and negative impacts (b) Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agendas	45 to 53

DISCLOSURE	REFERENCE
GRI 204: Procurement Practices	
204-1 Proportion of spending on local suppliers: (a) Percentage of the procurement budget used for significant locations of operations that is spent on suppliers local to that operation (b) Organisation's geographical definition of 'local' (c) Definition used for 'significant locations of operation'	68
GRI 205: Anti-Corruption	
205-1 Operations assessed for risks related to corruption: (a) Total number and percentage of operations assessed for risks related to corruption (b) Significant risks related to corruption identified through the risk assessment	34 to 36, 105
205-2 Communication and training about anti-corruption policies and procedures: (a) Total number and percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to, broken down by region (b) Total number and percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to, broken down by employee category and region (c) Total number and percentage of business partners that the organisation's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organisation's anti-corruption policies and procedures have been communicated to any other persons or organisations (d) Total number and percentage of governance body members that have received training on anti-corruption, broken down by region (e) Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region	34 to 36, 105
205-3 Confirmed incidents of corruption and actions taken: (a) Total number and nature of confirmed incidents of corruption (b) Total number of confirmed incidents in which employees were dismissed or disciplined for corruption (c) Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption (d) Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases	34 to 36, 105
GRI 206: Anti-competitive Behaviour	
206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices: (a) Number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organisation has been identified as a participant (b) Main outcome of completed legal actions, including any decisions or judgments	None
GRI 207: Tax	
207-1 Approach to tax: A description of the approach to tax, including: whether the organisation has a tax strategy and, if so, a link to this strategy if publicly available; the governance body or executive-level position within the organisation that formally reviews and approves the tax strategy, and the frequency of this review; the approach to regulatory compliance; how the approach to tax is linked to the business and sustainable development strategies of the organisation	39
207-2 Tax governance, control, and risk management: (a) A description of the tax governance and control framework, including: the governance body or executive-level position within the organisation accountable for compliance with the tax strategy; how the approach to tax is embedded within the organisation; the approach to tax risks, including how risks are identified, managed, and monitored; how compliance with the tax governance and control framework is evaluated (b) Description of the mechanisms to raise concerns about the organisation's business conduct and the organisation's integrity in relation to tax (c) Description of the assurance process for disclosures on tax including, if applicable, a link or reference to the external assurance report or assurance statement	39
207-3 Stakeholder engagement and management of concerns related to tax: Description of the approach to stakeholder engagement and management of stakeholder concerns related to tax, including: the approach to engagement with tax authorities; the approach to public policy advocacy on tax; the processes for collecting and considering the views and concerns of stakeholders, including external stakeholders	39

SUSTAINABLE DEVELOPMENT REPORT continued

DISCLOSURE	REFERENCE
GRI 207: Tax (continued)	
207-4 Country-by-country reporting: (a) All tax jurisdictions where the entities included in the organisation's audited consolidated financial statements, are resident for tax purposes (b) For each tax jurisdiction: names of the resident entities; primary activities of the organisation; number of employees and the basis of calculation of this number; revenues from third-party sales; revenues from intra-group transactions with other tax jurisdictions; profit/loss before tax; tangible assets other than cash and cash equivalents; corporate income tax paid on a cash basis; corporate income tax accrued on profit/loss; reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory rate is applied to profit/loss before tax (c) The time period covered by the information reported in this disclosure 207-4	135 to 218
GRI 301: Materials	
301-1 Materials used by weight or volume: Total weight or volume of materials that are used to produce and package the organisation's primary products and services during the reporting period, by: non-renewable materials used; renewable materials used	40 to 53
301-2 Recycled input materials used: Percentage of recycled input materials used to manufacture the organisation's primary products and services	40 to 53
301-3 Reclaimed products and their packaging materials: (a) Percentage of reclaimed products and their packaging materials for each product category (b) How the data for this disclosure has been collected	40 to 53
GRI 302: Energy	
302-1 Energy consumption within the organisation: (a) Total fuel consumption from non-renewable sources, in joules or multiples, and including fuel types used (b) Total fuel consumption from renewable sources, in joules or multiples, and including fuel types used (c) In joules, watt-hours or multiples, the total: electricity consumption; heating consumption; cooling consumption; steam consumption (d) In joules, watt-hours or multiples, the total: electricity sold; heating sold; cooling sold; steam sold (e) Total energy consumption in joules or multiples (f) Standards, methodologies, assumptions and/or calculation tools used (g) Source of the conversion factors used	46
302-2 Energy consumption outside of the organisation: (a) Energy consumption outside the organisation, in joules or multiples (b) Standards, methodologies, assumptions and/or calculation tools used (c) Source of the conversion factors used	Not reported
302-3 Energy intensity: (a) Energy intensity ratio for the organisation (b) Organisation-specific metric chosen to calculate the ratio (c) Types of energy included in the intensity ratio: whether fuel, electricity, heating, cooling, steam, or all (d) Whether the ratio used energy consumption within the organisation, outside of it, or both	46
302-4 Reduction of energy consumption: (a) Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples (b) Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all (c) Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it (d) Standards, methodologies, assumptions and/or calculation tools used	46
302-5 Reductions in energy requirements of products and services: (a) Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples (b) Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it (c) Standards, methodologies, assumptions, and/or calculation tools used	46
GRI 303: Water and Effluents	
303-1 Interaction with water as a shared resource: (a) Description of how the organisation interacts with water, including how and where water is withdrawn, consumed, and discharged, and the water-related impacts the organisation has caused or contributed to, or that are directly linked to its operations, products, or services by its business relationships (e.g., impacts caused by runoff) (b) Description of the approach used to identify water-related impacts, including the scope of assessments, their timeframe, and any tools or methodologies used (c) Description of how water-related impacts are addressed, including how the organisation works with stakeholders to steward water as a shared resource, and how it engages with suppliers or customers with significant water-related impacts (d) Explanation of the process for setting any water-related goals and targets that are part of the organisation's approach to managing water and effluents, and how they relate to public policy and the local context of each area with water stress	41 and 42, 36

DISCLOSURE	REFERENCE
GRI 303: Water and Effluents (continued)	
303-2 Management of water discharge-related impacts: Description of any minimum standards set for the quality of effluent discharge, and how these minimum standards were determined, including: how standards for facilities operating in locations with no local discharge requirements were determined; any internally developed water quality standards or guidelines; any sector-specific standards considered; whether the profile of the receiving waterbody was considered	45 to 53
303-3 Water withdrawal: (a) Total water withdrawal from all areas in mega-litres and a breakdown of this total by the following sources, if applicable: surface water; groundwater; seawater; produced water; third-party water (b) Total water withdrawal from all areas with water stress in mega-litres and a breakdown of this total by the following sources, if applicable: surface water; groundwater; seawater; produced water; third party water, and a breakdown of this total by the withdrawal sources listed before (c) Breakdown of total water withdrawal from each of the sources listed in disclosures 303-3-a and 303-3-b in mega-litres by the following categories: freshwater (< 1 000 mg/L Total Dissolved Solids); other water (> 1 000 mg/L Total Dissolved Solids) (d) Any contextual information necessary to understand how the data has been compiled such as any standards, methodologies, and assumptions used	46
303-4 Water discharge: (a) Total water discharge to all areas in mega-litres, and a breakdown of this total by the following types of destination, if applicable: surface water; groundwater; seawater; third-party water, and the volume of this sent for use to other organisations, if applicable (b) Breakdown of total water discharge to all areas in mega-litres by the following categories: freshwater; other water (c) Total water discharge to all areas with water stress in mega-litres, and a breakdown of this total by the following categories: freshwater; other water (d) Priority substances of concern for which discharges are treated, including: how priority substances of concern were defined, and any international standard, authoritative list, or criteria used; the approach for setting discharge limits for priority substances of concern; number of incidents of non-compliance with discharge limits (e) Any contextual information necessary to understand how the data has been compiled, such as standards, methodologies, and assumptions used	49
303-5 Water consumption: (a) Total water consumption from all areas in mega-litres (b) Total water consumption from all areas with water stress in mega-litres (c) Change in water storage in mega-litres, if water storage has been identified as having a significant water-related impact (d) Any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, and assumptions used, including whether the information is calculated, modelled, or sources from direct measurements and the approach taken for this, such as the use of any sector-specific factors	46
GRI 304: Biodiversity	
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas: (a) For each operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, the following information: geographic location; subsurface and underground land that may be owned, leased, or managed by the organisation; position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas; type of operation (office, manufacturing or production, or extractive); size of operational site in km ² (or another unit, if appropriate); biodiversity value characterised by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater or maritime ecosystem); biodiversity value characterised by listing of protected status	40 to 45
304-2 Significant impacts of activities, products and services on biodiversity: (a) Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following: construction or use of manufacturing plants, mines, and transport infrastructure; pollution (introduction of substances that do not naturally occur in the habitat from point and non-point sources); introduction of invasive species, pests, and pathogens; reduction of species; habitat conservation; changes in ecological processes outside the nature range of variation (such as salinity or changes in groundwater level) (b) Significant direct and indirect positive and negative impacts with reference to the following: species affected; extent of areas impacted; duration of impacts; reversibility or irreversibility of the impacts	40 to 45

SUSTAINABLE DEVELOPMENT REPORT continued

DISCLOSURE	REFERENCE
GRI 304: Biodiversity (continued)	
304-3 Habitats protected or restored: (a) Size and location of all habitat areas protected or restored and whether the success of the restoration measure was or is approved by independent external professionals (b) Whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organisation has overseen and implemented restoration or protection measures (c) Status of each area based on its condition at the close of the reporting period (e) Standards, methodologies, and assumptions used	40 to 45
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations: Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations by level of extinction risk: critically endangered; endangered; vulnerable; never threatened; least concern	40 to 45
GRI 305: Emissions	
305-1 Direct (Scope 1) GHG emissions: (a) Gross direct (Scope 1) GHG emissions in metric tonnes of CO ₂ or equivalent (b) Gases included in the calculation (c) Biogenic CO ₂ emissions in metric tonnes of CO ₂ equivalent (d) Base year for the calculation, if applicable, including: the rationale for choosing it; emissions in the base year; the context for any significant changes in emissions that triggered recalculations of base year emissions (e) Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source (f) Consolidation approach for emissions; whether equity share, financial control, or operational control (g) Standards, methodologies, assumptions, and/or calculation tools used	46 and 47
305-2 Energy indirect (Scope 2) GHG emissions: As required in 305-1	Not reported
305-3 Other indirect (Scope 3) GHG emissions: As required in 305-1	Not reported
305-4 Emissions intensity: (a) GHG emissions intensity ratio for the organisation (b) Organisation-specific metric (denominator) chosen to calculate the ratio (c) Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 3), and/or other indirect (Scope 3) (d) Gases included in the calculation	46 and 47
305-5 Reduction of GHG emissions: (a) GHG emissions reduced as a direct result of reduction interventions, in metric tonnes of CO ₂ equivalent (b) Gases included in the calculation (c) Base year or baseline, including the rationale for choosing it (d) Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3) (e) Standards, methodologies, assumptions, and/or calculation tools used	46 and 47
305-6 Emissions of ozone-depleting substances (ODS): (a) Production, imports and exports of ODS in metric tonnes of CFC-11 equivalent (b) Substances included in the calculation (c) Source of the emission factors used (d) Standards, methodologies, assumptions, and/or calculations used	Not reported
305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions: (a) Significant air emissions, in kilograms or multiples, for each of the following: NOx; SOx; persistent organic pollutants; volatile organic compounds; hazardous air pollutants; particulate matter; other standard categories of air emissions identified in relevant legislation (b) Source of the emission factors used (c) Standards, methodologies, assumptions, and/or calculation tools used	Not reported
GRI 306: Effluents and Waste	
306-1 Waste generation and significant waste-related impacts: For significant actual and potential waste-related impacts, a description of: the inputs, activities, and outputs that lead or could lead to these impacts; whether these impacts relate to waste generated in the organisation's own activities or to waste generated upstream or downstream in its value chain	45 to 53
306-2 Management of significant waste-related impacts: (a) Actions, including circularity measures, taken to prevent waste generation in the organisation's own activities and upstream and downstream in its value chain, and to manage significant impacts from waste generated (b) If the waste generated by the organisation in its own activities is managed by a third party, a description of the processes used to determine whether the third party manages the waste in line with contractual or legislative obligations (c) The processes used to collect and monitor waste-related data	45 to 53
306-3 Significant spills (2016 standard): (a) Total number and volume of recorded significant spills (b) Additional information for each spill that was reported in the financial statements: location of spill; volume of spill; material of spill, categorised by: oil spills, fuel spills, spills of wastes, spills of chemicals, other (all whether soil or water surfaces) (c) Impacts of significant spills	54
306-3 (2018) Waste generated: (a) Total weight of waste generated in metric tonnes, and a breakdown of this total by composition of the waste (b) Contextual information necessary to understand the data and how the data has been compiled	45 to 53

DISCLOSURE	REFERENCE
GRI 306: Effluents and Waste (continued)	
306-4 Waste diverted from disposal: (a) Total weight of waste diverted from disposal in metric tonnes, and a breakdown of this total by composition of the waste (b) Total weight of hazardous waste diverted from disposal in metric tonnes, and a breakdown of this total by the following recovery operations: preparation for reuse; recycling; other recovery operations (c) Total weight of non-hazardous waste diverted from disposal in metric tonnes, and a breakdown of this total by the following recovery operations: preparation for reuse; recycling; other recovery operations (d) For each of the recovery operations listed in disclosures 306-4-b and 306-4-c a breakdown of the total weight in metric tonnes of hazardous waste and non-hazardous waste diverted from disposal: onsite; offsite (e) Contextual information necessary to understand the data and how the data has been compiled	45 to 53
306-5 Waste directed to disposal: (a) Total weight of waste directed to disposal in metric tonnes, and a breakdown of this total by composition of the waste (b) Total weight of hazardous waste directed to disposal in metric tonnes, and a breakdown of this waste by the following disposal operations: incineration (with energy recovery); incineration (without energy recovery); landfilling; other disposal operations (c) Total weight of non-hazardous waste directed to disposal in metric tonnes, and a breakdown of this waste by the following disposal operations: incineration (with energy recovery); incineration (without energy recovery); landfilling; other disposal operations (d) For each disposal operation listed in disclosures 306-5-b and 306-5-c, a breakdown of the total weight in metric tonnes of hazardous waste and of non-hazardous waste directed to disposal: onsite; offsite (e) Contextual information necessary to understand the data and how the data has been compiled	45 to 53
GRI 308: Supplier Environmental Assessment	
308-1 New suppliers that were screened using environmental criteria: Percentage of new suppliers that were screened using environmental criteria	53 and 54
308-2 Negative environmental impacts in the supply chain and actions taken: (a) Number of suppliers assessed for environmental impacts (b) Number of suppliers identified as having significant actual and potential negative environmental impacts (c) Significant actual and potential negative environmental impacts identified in the supply chain (d) Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment (e) Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why	53 and 54
GRI 401: Employment	
401-1 New employee hires and employee turnover: (a) Total number and rate of new employee hires during the reporting period, by age group, gender and region (b) Total number and rate of employee turnover during the reporting period, by age group, gender and region	74 and 75
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees: (a) Benefits which are standard for full-time employees but are not provided to temporary or part-time employees by significant locations of operation, including, as a minimum: life insurance; health care; disability and invalidity coverage; parental leave; retirement provision; stock ownership; others (b) The definition used for 'significant locations of operation'	75 to 79*
401-3 Parental leave: (a) Total number of employees that were entitled to parental leave, by gender (b) Total number of employees that took parental leave, by gender (c) Total number of employees that returned to work in the reporting period after parental leave ended, by gender (d) Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender (e) Return to work and retention rates of employees that took parental leave, by gender	75 to 79*

DISCLOSURE	REFERENCE
GRI 403: Occupational Health and Safety	
403-1 Occupational health and safety management system: (a) Statement of whether an occupational health and safety management system has been implemented, including whether: the system has been implemented because of legal requirements and, if so, a list of the requirements; the system has been implemented based on recognised risk management and/or management system standards/guidelines and, if so, a list of the standards/guidelines (b) A description of the scope of workers, activities, and workplaces covered by the occupational health and safety management system, and an explanation of whether and, if so, why any workers, activities, or workplaces are not covered	78 and 79*
403-2 Hazard identification, risk assessment, and incident investigation: (a) Description of the processes used to identify work-related hazards and assess risks on a routine and non-routine basis, and to apply the hierarchy of controls in order to eliminate hazards and minimise risks, including: how the organisation ensures the quality of these processes, including the competency of persons who carry them out; how the results of these processes are used to evaluate and continually improve the occupational health and safety management system (b) Description of the processes for workers to report work-related hazards and hazardous situations, and an explanation of how workers are protected against reprisals (c) Description of the policies and processes for workers to remove themselves from work situations that they believe could cause injury or ill health, and an explanation of how workers are protected against reprisals (e) Description of the processes used to investigate work-related incidents, including the processes to identify hazards and assess risks relating to the incidents, to determine corrective actions using the hierarchy of controls, and to determine improvements needed in the occupational health and safety management system	78 to 80*
403-3 Occupational health services: Description of the occupational health services' functions that contribute to the identification and elimination of hazards and minimisation of risks, and an explanation of how the organisation ensures the quality of these services and facilitates workers' access to them	78 to 80*
403-4 Worker participation, consultation, and communication on health and safety: (a) Description of the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety (b) Where formal joint management-worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees	78 to 80*
403-5 Worker training on occupational health and safety: Description of any occupational health and safety training provided to workers, including generic training as well as training on specific work-related hazards, hazardous activities, or hazardous situations	78 and 79*
403-6 Promotion of worker health: (a) Explanation of how the organisation facilitates worker access to non-occupational medical and healthcare facilities, and the scope of access provided (b) Description of any voluntary health promotion services and programmes offered to workers to address major non-work-related health risks, including the specific health risks addressed, and how the organisation facilitates worker access to these services and programmes	78 and 79*
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships: Description of the organisation's approach to preventing or mitigating significant negative occupational health and safety impacts that are directly linked to its operations, products, or services by its business relationships, and the related hazards and risks	78 and 79*
403-8 Workers covered by an occupational health and safety management system: (a) If the organisation has implemented an occupational health and safety management system based on legal requirements and/or recognised standards/guidelines: the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by such a system; the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by such a system that has been internally audited; the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by such a system that has been audited or certified by an external party (b) Whether and, if so, why any workers have been excluded from this disclosure, including the types of workers excluded (c) Any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, and assumptions used	78 and 79*

DISCLOSURE	REFERENCE
GRI 403: Occupational Health and Safety (continued)	
403-9 Work-related injuries: (a) For all employees: number and rate of fatalities as a result of work-related injuries; number and rate of high consequence work-related injuries (excluding fatalities); number and rate of recordable work-related injuries; main types of work-related injuries; and number of hours worked (b) For all workers who are not employees but whose work and/or workplace is controlled by the organisation: number and rate of fatalities as a result of work-related injuries; number and rate of high consequence work-related injuries (excluding fatalities); number and rate of recordable work-related injuries; main types of work-related injuries; and number of hours worked (c) Work-related hazards that pose a risk of high-consequence injury, including: how those hazards are determined; which of these hazards have caused or contributed to high-consequence injuries during the reporting period; actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls (d) Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls (e) Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked (f) Whether and, if so, why any workers have been excluded from this disclosure, including the type of worker excluded (g) Any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, and assumptions used	78 and 79*
403-10 Work-related ill health: (a) For all employees: number of fatalities as a result of work-related ill health; number of cases of recordable work-related ill health; main types of work related ill health (b) For all workers who are not employees but whose work and/or workplace is controlled by the organisation: number of fatalities as a result of work-related ill health; number of cases of recordable work-related ill health; main types of work related ill health (c) Work-related hazards that pose a risk of ill health, including: how these hazards have been determined; which of these hazards have caused or contributed to cases of ill health during the reporting period; actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls (d) Whether and, if so, why any workers have been excluded from this disclosure, including the type of worker excluded (e) Any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, and assumptions used	78 and 79*
GRI 404: Training and Education	
404-1 Average hours of training per year per employee: Average hours of training that the organisation's employees have undertaken during the reporting period, by: gender; employee category	66 and 67
404-2 Programmes for upgrading employee skills and transition assistance programmes: (a) Type and scope of programmes implemented and assistance provided to upgrade employee skills (b) Transition assistance programmes provided to facilitate continued employment and the management of career endings resulting from retirement or termination of employment	66 and 67
404-3 Percentage of employees receiving regular performance and career development reviews: Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period	66 and 67
GRI 405: Diversity and Equal Opportunity	
405-1 Diversity of governance bodies and employees: (a) Percentage of individuals within the organisation's governance bodies in each of the following diversity categories: gender; age group (under 30 years; 30-50 years old; over 50 years old); other indicators of diversity where relevant (such as minority or vulnerable groups) (b) Percentage of employees per employee category in each of the following diversity categories: gender; age group (under 30 years; 30-50 years old; over 50 years old); other indicators of diversity where relevant (such as minority or vulnerable groups)	64 to 66, 74 and 75, 94 to 96
405-2 Ratio of basic salary and remuneration of women to men: (a) Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation (b) The definition used for 'significant locations of operation'	Not reported*

SUSTAINABLE DEVELOPMENT REPORT continued

DISCLOSURE	REFERENCE
GRI 406: Non-Discrimination	
406-1 Incidents of discrimination and corrective actions taken: (a) Total number of incidents of discrimination during the reporting period (b) Status of the incidents and action taken with reference to the following: incident reviewed by the organisation; remediation plans being implemented; remediation plans that have been implemented, with results reviewed through routine internal management review processes; incident no longer subject to action	None
GRI 407: Freedom of Association and Collective Bargaining	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk: (a) Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of: type of operation and supplier; countries or geographic areas with operations and suppliers considered at risk (b) Measures taken by the organisation in the reporting period intended to support rights to exercise freedom of association and collective bargaining	53 and 54, 60 and 61
GRI 408: Child Labour	
408-1 Operations and suppliers at significant risk for incidents of child labour: (a) Operations and suppliers considered to have significant risk for incidents of: child labour; young workers exposed to hazardous work (b) Operations and suppliers considered to have significant risk for incidents of child labour either in terms of: type of operation and supplier; countries or geographic areas with operations and suppliers considered at risk (c) Measures taken by the organisation in the reporting period intended to support rights to contribute to the effective abolition of child labour	53 and 54, 76 to 79
GRI 409: Forced or Compulsory Labour	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour: (a) Operations and suppliers considered to have significant risk for incidents of forced or compulsory labour either in terms of: type of operation and supplier; countries or geographic areas with operations and suppliers considered at risk (b) Measures taken by the organisation in the reporting period intended to support rights to contribute to the elimination of all forms of forced or compulsory labour	53 and 54, 76 to 79
GRI 410: Security Practices	
410-1 Security personnel trained in human rights policies or procedures: (a) Percentage of security personnel who have received formal training in the organisation's human rights policies or specific procedures and their application to security (b) Whether training requirements also apply to third-party organisations providing security personnel	76 to 79
GRI 411: Rights of Indigenous Peoples	
411-1 Incidents of violations involving rights of indigenous people: (a) Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period (b) Status of the incidents and actions taken with reference to the following: incident reviewed by the organisation; remediation plans being implemented; remediation plans that have been implemented, with results reviewed through routine internal management review process; incident no longer subject to action	Not reported*
GRI 413: Local Communities	
413-1 Operations with local community engagement, impact assessments, and development programmes: Percentage of operations with implemented local community engagement, impact assessments, and/or development programmes, including the use of: social impact assessments, including gender impact assessments, based on participatory processes; environmental impact assessments and ongoing monitoring; public disclosure of results of environmental and social impact assessments; local community development programmes based on local communities' needs; stakeholder engagement plans based on stakeholder mapping; broad based local community consultation committees and processes that include vulnerable groups; works councils, occupational health and safety committees, and other workers representation bodies to deal with impacts; formal local community grievance processes	34 to 80
413-2 Operations with significant actual and potential negative impacts on local communities: Operations with significant actual and potential negative impacts on local communities, including: the location of the operations; the significant actual and potential negative impacts of operations	34 to 80

DISCLOSURE	REFERENCE
GRI 414: Supplier Social Assessment	
414-1 New suppliers that were screened using social criteria: Percentage of new suppliers that were screened using social criteria	53 and 54
414-2 Negative social impacts in the supply chain and actions taken: (a) Number of suppliers assessed for social impacts (b) Number of suppliers identified as having significant actual and potential negative social impacts (c) Significant actual and potential negative social impacts identified in the supply chain (d) Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment (e) Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why	34 to 80
GRI 415: Public Policy	
415-1 Political contributions: (a) Total monetary value of financial and in-kind political contributions made directly and indirectly by the organisation by country and recipient/beneficiary (b) If applicable, how the monetary value of in-kind contributions was estimated	39
GRI 416: Customer Health and Safety	
416-1 Assessment of the health and safety impacts of products and service categories: Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	54 and 55
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services: (a) Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and/or services within the reporting period, by: incidents of non-compliance with regulations resulting in a fine or penalty; incidents of non-compliance with regulations resulting in a warning; incidents of non-compliance with voluntary codes (b) If the organisation has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient	54 and 55
GRI 417: Marketing and Labelling	
417-1 Requirements for product and service information and labelling: (a) Whether each of the following types of information is required by the organisation's procedures for product and service information and labelling: sourcing of components of the product or service; content, particularly with regard to substances that might produce an environmental or social impact; safe use of the product or service; disposal of the product and environmental or social impacts; other (explain) (b) Percentage of significant product or service categories covered by and assessed for compliance with such procedures	54 and 55*
417-2 Incidents of non-compliance concerning product and service information and labelling: (a) Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labelling, by: incidents of non-compliance with regulations resulting in a fine or penalty; incidents of non-compliance with regulations resulting in a warning; incidents of non-compliance with voluntary codes (b) If the organisation has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient	54 and 55
GRI 418: Customer Privacy	
418-1 Substantiated complaints concerning breaches of customer privacy and loss of customer data: (a) Total number of substantiated complaints received concerning breaches of customer privacy, categorised by: complaints received from outside parties and substantiated by the organisation; complaints from regulatory bodies (b) Total number of identified leaks, thefts, or losses of customer data (c) If the organisation has not identified any substantiated complaints, a brief statement of this fact is sufficient	38 and 39

* Comply with local legislation, including but not limited to, labour and employment legislation, collective agreements, consumer, product safety, and packaging legislation.

BOARD OF DIRECTORS

SIMON L CRUTCHLEY (63)

Chief Executive Officer and Executive Director

Appointed | **1999**

Qualifications

BBusSci (UCT)

Directorships

AVI Limited
AVI Group subsidiaries

Simon was a co-founder of Otterbea International (Pty) Ltd, an international trading business based in South Africa. He was appointed managing director of Consol Limited in 1997 and oversaw the successful turnaround of that company. He joined the AVI Board in 1999, was appointed business development director in 2002 and Chief Executive Officer in October 2005.

JUSTIN C O'MEARA (48)

Chief Financial Officer and Executive Director

Appointed | **2022**

Qualifications

BCom Acc (UJ), Bcom Acc
Hons (UJ), CA(SA)

Directorships

AVI Limited
AVI Group subsidiaries

Justin is a qualified Chartered Accountant. He completed his articles at KPMG in 2003 whereafter he was employed as Audit Manager and Senior Audit Manager. Justin joined the AVI Group in 2009 as the NBL Finance Executive, subsequently being promoted to: AVI Group Financial Manager (2010), Snackworks Financial Director (2015), and NBL Financial Director (2017). Justin was appointed to the AVI Board as Chief Financial Officer on 1 January 2022.

MICHAEL KOURSARIS (49)

Business Development Director and Executive Director

Appointed | **2013**

Qualifications

BCom Finance (Hons),
HDip Com Law (Wits),
MBA (Columbia), CFA

Directorships

AVI Limited
AVI Group subsidiaries

Michael joined AVI in 2002 as business development analyst and was appointed to the role of business development executive in January 2011. Prior to joining AVI Michael held the position of associate at New York headquartered financial management consultancy Stern Stewart and Co., working in its Johannesburg office from 1999 to 2002. Michael was appointed to the AVI Board on 9 September 2013.

MICHAEL J WATTERS (67)

Independent non-executive director

Appointed | **2023**

Qualifications

Bachelor of Science (Civil
Engineering) (University of
Witwatersrand), Graduate
Diploma (Project and
Financial Management)
(University of
Witwatersrand), MBA
(University of Cape Town)

Directorships

AVI Limited
Afine Investment Limited

Mike has over 37 years' business experience in both South African and international markets. He served as CEO of RDI REIT PLC, a dual listed (LSE/JSE) property investment company from 2006 until his retirement in 2020. He has held managerial roles in the Corporate Finance Division of Standard Corporate and Merchant Bank; Nels-Bliss Dairy Group, Pegasus III, a subsidiary of Anglo American Property Services and the Corovest Property Group, a subsidiary of Coronation Capital. He has also held numerous non-executive directorships of listed companies in SA, UK, and Australia. Mike was appointed to the AVI Board on 1 June 2023 and was appointed the Chairman of the Board on 1 July 2023.

ALEXANDRA MULLER (50)**Independent non-executive director**Appointed | **2019**

Qualifications	Directorships
BAcc, BAcc Honours (UNISA), CA(SA)	AVI Limited Infiniti Insurance Limited Discovery Health Medical Scheme Astral Foods Limited

Alex completed her articles at PwC in 2003. She joined the PwC partnership in 2010 until February 2019. Since 2014, Alex was responsible for heading up the Governance, Risk, and Internal Audit practice in the Financial Services Assurance division at PwC. Alex was appointed to the AVI Board on 1 July 2019.

STEVEN G ROBINSON (67)**Independent non-executive director**Appointed | **2023**

Qualifications	Directorships
Bachelor of Accounting Science (Hons) (UNISA), Higher Diploma in Computer Audit (University of Witswatersrand), CA(SA)	AVI Limited Rödl (Pty) Ltd (and associated companies) Poplars Investments (Pty) Ltd

Steve joined PA Becker & Company in 1981 as a trainee Chartered Accountant and was admitted to the partnership in 1991. After the PA Becker merger with KPMG in 1992, he became an audit partner in the Industrial, Automotive, and Pharmaceutical business unit. Steve was the audit partner on several high profile clients and acted as the engagement quality review partner on a number of large, listed companies. Steve has 30 years of experience as an audit partner. Steve was appointed to the AVI Board on 1 March 2023.

MASERAME R MOUYEME (60)**Independent non-executive director**Appointed | **2023**

Qualifications	Directorships
Bachelor of Social Sciences and Graduate Diploma (University of Cape Town), MBA (University of West London), Executive Leadership Development Program (Harvard University)	AVI Limited Shandurwa (Pty) Ltd Mergence Investment Managers (Pty) Ltd ForAfrika NPC (part of ForAfrika to Thrive NPC group) Farsa Social Enterprise (Pty) Ltd

Maserame is an experienced business leader and independent non-executive director with over 30 years' experience across consumer goods, financial services, advertising and communications, public affairs, sustainability, and governance. She has held executive leadership roles at The Coca-Cola Company and Old Mutual across sub-Saharan Africa, with earlier multinational experience at Unilever and Kellogg's. She brings strong commercial, stakeholder, sustainability, transformation, and governance experience to the Board. Maserame was appointed to the AVI Board on 1 August 2023.

VALERIE A DAVIES (63)**Independent non-executive director**Appointed | **2024**

Qualifications	Directorships
Chartered Accountant (South Africa), B Com Honours (Rhodes University), Certificate in the Theory of Accounting (Rhodes University), Higher Diploma in Taxation (University of Witswatersrand)	AVI Limited

Val has almost 40 years of business experience in a global professional services firm. During her tenure as an Executive Committee of EY Africa, she occupied numerous leadership positions, including as Africa Chief Operating Officer and subsequently as Africa Risk Leader, until her retirement in June 2023. Her portfolio included senior executive rewards and remuneration. Val was appointed to the AVI Board on 1 June 2024.

CORPORATE GOVERNANCE REPORT

Framework

AVI Limited ("the Company") is a public company incorporated in South Africa under the provisions of the Companies Act 71 of 2008, as amended, and the Regulations thereto ("the Companies Act") and is listed on the JSE Limited ("the JSE").

The Company's Board of directors ("the Board") is committed to ensuring that the Company is governed appropriately. The Board recognises the responsibility of the Company to conduct its affairs with prudence, transparency, accountability, fairness and in a socially and environmentally responsible manner. The Board is satisfied that the Company complies with the provisions of the Companies Act, the JSE Listings Requirements, the Company's Memorandum of Incorporation, and the principles of the Code of Corporate Governance Principles and Practices as recommended in the King IV Report on Governance for South Africa 2016 ("King IV report").

The Company has taken note of the implementation of the King V Report of Corporate Governance for South Africa 2025 ("King V report"), the provisions of which are applicable to the Company from the start of the 2027 financial year and thus from 1 July 2026. Whilst this report is accordingly still aligned to the King IV report, which applied to the Company for the 2026 financial year, the Company has done a comprehensive review of the King V report and is comfortable that the Company's current policies and practices are materially aligned thereto. It is not anticipated that any material changes will need to be made but any changes made will be reported on in 2027. The Company has also noted the implementation of the amended JSE Listings Requirements, effective from 16 February 2026, and this report incorporates any required changes.

Board governance structure

The general powers of the Board and the directors are conferred in the Company's Memorandum of Incorporation. Terms of reference for the Board are set out in the Company's Board charter which is reviewed periodically. The charter covers the powers and authority of the Board and provides a clear and concise overview of the responsibilities and accountability of Board members, collectively and individually. It includes the policy and procedures for appointments to the Board as assisted by the Remuneration, Nomination and Appointments Committee ("Remcom"). Appointments to the Board are done in a formal and transparent manner and are a matter for the Board as a whole. The Board charter is available on request from the Company Secretary.

To ensure conflicts of interest are avoided, Board members annually provide a general disclosure of their personal financial interests in terms of Section 75 of the Companies Act 2008, and are reminded at the commencement of each Board and Board committee meeting that they are required to declare any material personal financial interests that they may have in contracts entered into or authorised by the Company or in any matters to be discussed at the meeting, as well as any changes to their interests as previously declared.

The Board has adopted a unitary structure, and no individual member of the Board has unfettered powers of decision making. The responsibility for running the Board and executive responsibility for the conduct of the business are differentiated in the Board charter. Accordingly, the roles of the Chairman of the Board and of the Chief Executive Officer are separated, with Mike Watters and Simon Crutchley, respectively, holding these positions for the year under review. Steven Robinson is the Lead Independent director.

Directorate

During the year under review the Board comprised three executive directors and five non-executive directors. All the non-executive directors are independent as defined by the King IV report and have the required knowledge, skills, and independence of thought to pass sound judgement on the key issues relevant to the business of the Company, independently of the Company's management. Tailored induction programmes are run to familiarise newly appointed directors with the Group's operations. Particulars of the directors are set out in the Board of directors' section of this Integrated Annual Report.

As required by paragraph 5.7(j) of the JSE Listings Requirements, the Board has adopted a formalised policy on the promotion of broader diversity at Board level. The Nomination Committee considers the policy when recommending the appointment of directors to the Board.

At least one-third of the Board's non-executive members retire each year at the Annual General Meeting ("AGM"). Retiring directors are eligible for re-election.

Board and director assessment

The Board is required to assess its performance against its charter on an annual basis. The assessment was done and it was found that in all material respects the Board had complied with the applicable requirements. The Chairman continued to monitor and manage the participation of the Board's members, and considered the development requirements, if any, of each director.

In accordance with the Board Charter, every two years the Chairman, with the assistance of the Company Secretary, leads an overall performance evaluation of the Board, the Board committees, and individual directors. This exercise is conducted by means of individual questionnaires prepared by the Company Secretary and completed individually by each member of the Board and Board committees. The results will indicate whether the Board, the Board committees, and individual directors are operating effectively, and those few areas identified for action will be addressed over the course of the new financial year. Based on the results of the last evaluations done in March 2025, the Board does not currently believe it is necessary to perform an independent review but will continue to monitor this requirement.

The independence of each non-executive director was assessed by way of a formal written self-assessment based on a number of independence indicators, including personal and professional interests, nature of the director's relationship with the Company, length of

service and individual conduct. The Board was satisfied that each non-executive director acts with independence of mind and in the best interests of the Company and therefore fulfil the requirements of the King IV report and are considered to be independent.

In addition, during the year under review, the Board independently considered the independence of the Chairman and the Lead Independent director. The Chairman and the Lead Independent director did not participate in the Board's discussions regarding their own independence.

Board meetings

During the year under review the Board met formally on four occasions to conduct the normal business of the Company. Attendance at these meetings is summarised in the table below.

Name	05/09/2025	12/11/2025	06/03/2026	10/06/2026
MJ Watters	√	√	√	√
SL Crutchley	√	√	√	√
JC O'Meara	√	√	√	√
VA Davies	√	√	√	√
M Koursaris	√	√	√	√
MR Mouyeme	√	√	√	√
A Muller	√	√	√	√
SG Robinson	√	√	√	√

Key:
√ = in attendance

At the meeting held on 10 June 2026, the Board reviewed the performance of the Company's major subsidiaries and divisions for the past year and considered their objectives, strategies and budgeted performance for the year ahead.

Company secretary

The Company Secretary for the year under review was Vivien Crystal.

All directors have unlimited access to the advice and services of the Company Secretary, who is accountable to the Board for ensuring that Board procedures are complied with and that sound corporate governance and ethical principles are adhered to.

The Company Secretary's principal responsibilities to the Board and to individual directors are to:

- Guide them in the discharge of their duties, responsibilities and powers;
- Provide information, advice and education on matters of ethics and good governance; and
- Ensure that their proceedings and affairs, and those of the Company, are properly administered in compliance with all relevant legislation and regulations, in particular the Companies Act 2008 and the JSE Listings Requirements.

As required by the JSE Listings Requirements, the Board assessed and satisfied itself at the Board meeting on 4 September 2026, as to the competence qualifications and experience of

Ms Crystal for the year under review, and that she had maintained an arm's length relationship with the Board and the directors.

Board committees

The Board is assisted in the discharge of its duties and responsibilities by the Audit and Risk Committee, Remcom, and the Social and Ethics Committee. The ultimate responsibility at all times for Board duties and responsibilities, however, resides with the Board and it does not abdicate its responsibilities to these committees.

These committees act within formalised terms of reference which have been approved by the Board, and which reflect the Company's application, where appropriate, of the principles embodied in the King IV report, and the statutory requirements of the Companies Act and the JSE Listings Requirements. The terms of reference set out the committees' purpose, membership requirements, duties, and reporting procedures. Relevant legislative requirements, such as those incorporated in the Companies Act, are incorporated in the committee charters. Board committees, and the members thereof, may take independent professional advice at the Company's expense.

When appropriate, ad hoc committees are formed to facilitate the achievement of specific short-term objectives.

There is full disclosure, transparency and reporting from these committees to the Board at each Board meeting, and the chairpersons of the committees attend the AGM to respond to relevant shareholder queries.

Audit and Risk Committee ("Audit Committee")

During the year under review the Audit Committee comprised Steven Robinson (the Chair), Maserame Mouyeme and Alex Muller, all of whom are independent non-executive directors. In compliance with the Companies Act, shareholders will be asked at the AGM on 10 November 2026 to elect the members of the Audit Committee.

The Company's external auditors, the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer, the Group's head of internal audit and other senior executives attend the Audit Committee meetings by invitation.

Each operating subsidiary has an internal review committee which monitors risk management and compliance activities. These committees are chaired by the Company's Chief Financial Officer and meet at least twice a year with the external auditors and the Group's head of internal audit, with the relevant financial and managing directors in attendance. Audit Committee members can attend the subsidiary internal review meetings by open invitation. There is a formal reporting line from the various internal review committees into the Audit Committee via the Company's Chief Financial Officer.

CORPORATE GOVERNANCE REPORT continued

The Audit Committee met formally twice during the year under review. The attendance of the members is reflected in the table below:

Name	04/09/2025	05/03/2026
SG Robinson	√	√
MR Mouyeme	√	√
A Muller	√	√

Key:
√ = in attendance

The Audit Committee is responsible for the consideration of key financial and operating control risks and in particular assists the Board in the following matters:

- Monitoring the financial reporting process;
- Recommending the appointment of an independent registered auditor, determining the terms of engagement and approving fees for audit and non-audit work undertaken;
- Monitoring the operation and effectiveness of internal control systems, including information technology controls;
- Overseeing the internal audit function, monitoring its effectiveness, and reviewing corrective action in relation to findings;
- Overseeing the implementation and effective operation of a structured risk management process that incorporates insurance, health and safety, and environmental issues;
- Implementing sound corporate governance policies;
- Reviewing and recommending to the Board for approval the interim and annual financial statements, the going concern status of the Company, interim and final dividends and other special payments to shareholders; and
- Considering and satisfying itself, on an annual basis, of the expertise and experience of the Chief Financial Officer.

Shareholders will be requested to approve the appointment of Ernst & Young Inc. as the Company's external auditors at the Company's AGM on 10 November 2026. With specific reference to the non-audit services provided by the external auditor, and at the recommendation of the Audit Committee, the Board has resolved that the auditors shall not:

- Function in the role of management;
- Audit their own work; and
- Serve in an advocacy role for the Company.

In accordance with the requirements of the Companies Act all non-audit specific service engagements with the external auditors were pre-approved by the Audit Committee.

During the year under review dedicated internal audit resources were provided via a service provision arrangement with KPMG Inc.

The Audit Committee discharged the functions ascribed to it in terms of the Companies Act and the JSE Listings Requirements as reported in the Directors' Report. It also complied in all material respects with its mandate and the responsibilities prescribed to it in the Audit Committee charter.

Remuneration, Nomination and Appointments Committee

During the year under review the members of Remcom were Val Davies (the Chair) and Mike Watters, both of whom are independent non-executive directors. The Company's Chief Executive Officer, Business Development Director and Group Legal Executive attend relevant Remcom meetings by invitation. On 4 September 2026 the Board resolved to also appointment Steven Robinson, an independent non-executive director to Remcom. Steve Robinson has been an independent non-executive director since March 2023 and is also the Chair of the Audit Committee.

Remcom met formally four times during the year under review, and the attendance detail is reflected in the table below:

Name	01/08/2025	05/09/2025	12/11/2025	10/06/2026
VA Davies	√	√	√	√
MJ Watters	√	√	√	√

Key:
√ = in attendance

Remcom assists the Board by overseeing the following matters:

- Ensuring that the Company's directors and the Group's senior executives are competitively rewarded for their individual contributions to the Group's overall performance. Remcom ensures that the remuneration of the senior executive members of the Group is set by a committee of Board members who have no personal interest in the outcomes of their decisions and who will give due regard to the interests of shareholders and to the financial and commercial health of the Company;
- Succession planning for, and approving the appointment of, senior executives within the Group;
- Assessing the performance of the Chief Executive Officer and reviewing his assessment of senior management's performance;
- Recommending an appropriate remuneration and reward framework (including salaries, benefits, share options and incentive schemes) to ensure that the Group's employees are appropriately engaged and retained. The framework includes guaranteed remuneration, short-term and long-term incentives, and benefits;
- Reviewing the composition of the Board and its committees with respect to size, diversity, skills and experience; and
- Recommending the appointment of directors to the Board and shareholders.

In the interests of efficiency, the remuneration and nominations committees are combined.

Remcom complied in all material respects with its mandate and the responsibilities prescribed in its charter.

Social and Ethics Committee

During the year under review the members of the Social and Ethics Committee were Alex Muller (the Chair), Maserame Mouyeme, and Mike Watters, all of whom are independent non-executive directors. In addition, the Company's Chief Executive Officer, Chief Financial Officer, and Group Legal Executive attend Social and Ethics Committee meetings by invitation.

The Social and Ethics Committee met formally twice during the year under review and the attendance detail is reflected in the table below:

Name	04/09/2025	05/03/2026
A Muller	√	√
MJ Watters	√	√
MR Mouyeme	√	√

Key:
√ = in attendance

The Social and Ethics Committee assists the Board in the following matters:

- Monitoring the Company's activities with regard to social and economic development; good corporate citizenship; the environment, health and public safety; consumer relationships; and labour and employment;
- Drawing matters within its mandate to the attention of the Board as the occasion requires;
- Ensuring that the Company's ethics are managed effectively; and
- Reporting to the shareholders at the Company's AGM on the matters within its mandate.

The Social and Ethics Committee discharged the functions ascribed to it in terms of the Companies Act. It also complied in all material respects with its mandate and the responsibilities prescribed in its charter.

Dealings in JSE securities

The Company and its directors comply with the JSE Listings Requirements regarding trading in Company shares. In terms of the Company's closed-period policy, all directors and staff are precluded from dealing in Company shares during closed periods, namely from 31 December and 30 June of each year, until the release of the Group's interim and final results, respectively. The same arrangements apply to other closed periods declared during price-sensitive transactions, for directors, officers and participants in the share incentive schemes and staff who may have access to price-sensitive information. A pre-approval policy and process for all dealings in Company shares by directors and selected key employees is strictly followed. Details of directors' and the Company Secretary's dealings in Company shares are disclosed through the Stock Exchange News Service ("SENS") in accordance with the JSE Listings Requirements.

The Company Secretary regularly disseminates written notices to brief the directors, executives, and employees on insider trading legislation, and to advise them of closed periods.

Further, in accordance with the JSE Listings Requirements, the Company's non-disclosure and confidentiality agreement in use for suppliers and other third parties, contains provisions and undertakings regarding the disclosure of price-sensitive information and insider trading.

Data, information, and technology

The Board has approved the AVI IT Charter and Governance Framework in terms of which responsibility for data, information, and technology is with the Board. The Framework adopts the fundamental concepts and principles of the King V report on recommended practices for the governance, management, and control (including acquisition, creation, use, dissemination, and disposal) of enterprise data, information, and technology ("IT").

The Company has adopted the COBIT Control Objectives for Information and Related Technologies 2019 Framework and principles ("COBIT") for the creation of a customized IT governance program, governance and management of enterprise information and technology and the ITIL 4 globally recognised industry standard for IT service management guidelines on IT service management.

Furthermore, the Company has a comprehensive Information Security Policy that sets out its approach to identifying and mitigating information security risks. In addition, there are a number of other policies and/or process and/or procedure documents in place that form part of the AVI IT Security Action Plan. The Information Security Policy defines roles and responsibilities for information security, defines an appropriate Information Security Management System framework within which information security will be managed across the Group, as supported by relevant policies and procedures, and demonstrates management direction and support for information security throughout the Group. The Policy furthermore provides for, inter alia, annual IT security training and awareness campaigns.

The IT Security Operations Team is responsible for, inter alia, the prevention, identification, and investigation of cyberattacks, including vulnerability management, external penetration testing, website monitoring, monitoring of industrial control networks, and management of all projects relating to cyber security.

CORPORATE GOVERNANCE REPORT continued

The Company is in the process of considering the Company's policy on the acquisition, development, use, and distribution of emerging, innovative, and disruptive technologies, including artificial intelligence. As these policies are defined, they will be clearly articulated and captured in relevant policies.

Investor relations and communication with stakeholders

The Company identifies key stakeholders with legitimate interests and expectations relevant to the Company's strategic objectives and long-term sustainability, and strives to have transparent, open and clear communications with them. Reports, announcements and meetings with investment analysts and journalists, as well as the Company's website, are useful conduits for information. Further detail of these key stakeholders and the Company's engagements with them is set out in the Sustainable Development Report.

The Chairs of the Board and the Board committees are expected to attend the Company's AGM, and shareholders can use this opportunity to direct any questions they may have. A summary of the proceedings of general meetings and the outcome of voting on the items of business is available on request.

Keeping abreast of legislative requirements

The Company's internal legal advisers keep the Company abreast of generic and industry-specific legislative and regulatory developments, both pending and apparent, and ensure that the Board, management and employees are informed of and, where necessary, trained on these developments and the implementation thereof.

Participation in industry forums

The Company and its subsidiaries participate in various forums that represent the interests of an industry or sector of the economy, such as the Accelerate Cape Town; the Consumer Goods Council of South Africa; a number of fishing industry associations including the South African Deep-Sea Trawling Association; the Responsible Fisheries Alliance; the World Wildlife Fund's Southern African Sustainable Seafood Initiative; the Abalone Farmers' Association of South Africa; and the South African Midwater Trawling Association; the Cosmetic, Toiletry and Fragrance Association of South Africa; the South African Association for Food Science and Technology; the Restaurant Association; the Speciality Coffee Association of South Africa; the Aerosol Manufacturers' Association; the Institute of Packaging SA; the South African Rooibos Council; the Industrial Gas Users Association of South Africa; the South African Association of Freight Forwarders; and the Responsible Packaging Management Association of Southern Africa. Care is taken to ensure that proceedings at these forums do not contravene competition regulations.



King IV report application register

In compliance with the JSE Listings Requirements, the Company discloses hereunder details pertaining to its compliance with the principles of the King IV report. In addition to these specific disclosures, statements are included throughout the Integrated Annual Report dealing with these principles.

As reported above, the Company has taken note of the implementation of the King V report, the provisions of which are applicable to the Company from 1 July 2026. This disclosure register is accordingly still aligned to the King IV report, which applied to the Company for the 2026 financial year.

LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP

Principle 1: The governing body should lead ethically and effectively.

The Board operates within the powers conferred on it in the Memorandum of Incorporation and Board charter; bases deliberations, decisions and actions on strategic objectives and ethical and moral values; considers the legitimate interests of all stakeholders; and aligns its conduct to drive the Company's business accordingly. The directors hold one another accountable for acting in the best interest of the Group. This entails the discharge of duties with integrity, competence, responsibility, accountability, fairness and transparency.

Principle 2: The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.

The Board has adopted a Group Code of Conduct and Ethics, which is communicated internally and externally, and the importance of ethical behaviour is emphasised in all of the Company's engagements. Ethical issues are considered by risk committees, internal review committees, the Company's Audit and Risk Committee and Social and Ethics Committee, and at Board level.

Mechanisms are in place for the reporting of instances of fraud, theft, corruption, unethical behaviour and irregularities. The Company's management is responsible for the implementation and execution of the Group Code of Conduct and Ethics and ongoing oversight of the management of ethics. Management will report material breaches to the Audit and Risk Committee, the Social and Ethics Committee and the Board.

Principle 3: The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.

The Board is responsible for economic, social and environmental performance and reporting, and the Company has credible and well-coordinated programmes in respect of social and environmental issues and stakeholder engagement.

The Social and Ethics Committee ensures that the Group's business operations are conducted in a manner that is sensitive to social, economic and environmental factors.

The Company maintains high standards of corporate governance and reporting.

STRATEGY, PERFORMANCE AND REPORTING

Principle 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 determines the strategy and the long-term direction of the Company necessary for it to achieve its objectives as a business enterprise, whilst satisfying itself that the strategy and business plans are aligned with the purpose of the Company, the value drivers of the Company's business and the legitimate interests and expectations of the Company's stakeholders and do not give rise to risks that have not been thoroughly assessed by management. The Board annually reviews the Company's objectives, strategies, risks, and performance.

Principle 5: The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects.

All corporate governance disclosures, integrated annual reports, annual financial statements and other reports, including press releases and SENS announcements, are published on the website and other platforms as required by legislation. Half-year financial results are also published in the press.

The Board, through the Audit Committee, ensures that the necessary controls are in place to verify and safeguard the integrity of the annual financial statements, interim reports and any other disclosures.

The Board and its committees review and approve the various reports that are included in the Integrated Annual Report.

GOVERNING STRUCTURES AND DELEGATION

Principle 6: The governing body should serve as the focal point and custodian of corporate governance in the organisation.

The Board is the focal point and custodian of corporate governance within the Group. The Board has adopted a Board charter that ensures its roles, responsibilities and accountability are documented and adhered to, which includes responsibilities relating to corporate governance. The Board is supported by its committees, which have delegated responsibilities.

Principle 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.

Remcom strives to maintain the optimal mix of knowledge, skills, experience, diversity and independence on the Board and its sub-committees. The Board has adopted a broader diversity policy, which the Nomination Committee considers when recommending the appointment of directors to the Board.

The Board comprises a majority of non-executive directors. All the non-executive directors are independent.

The Chair of the Board is an independent non-executive director.

Principle 8: The governing body should ensure that its arrangements for delegation within its own structures promote independent judgment and assist with balance of power and the effective discharge of its duties.

The Board has delegated certain responsibilities, without abdicating responsibility, to the Audit and Risk Committee; Remcom; the Social and Ethics Committee; and, from time to time, ad hoc committees are appointed to deal with specific matters. In particular, the functions of the risk committee are incorporated into the Audit and Risk Committee, and the functions of the nomination committee are incorporated into Remcom.

Each committee operates under the Board approved terms of reference which set out the committee's role, responsibilities, authority, and composition.

The Board annually reviews the Board charter and the committees' terms of reference.

Principle 9: The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.

The Board, committees and directors are evaluated annually and the results of the evaluations of executive directors are considered in determining their remuneration and benefits.

Principle 10: The governing body should ensure that the appointment of, and delegation to, management contributes to role clarity and the effective exercise of authority and responsibilities.

The Board is responsible for the appointment of the Chief Executive Officer. The role and responsibilities of the Chief Executive Officer are set out in the Board charter. The Chief Executive Officer's notice period as stipulated in his employment contract is three months.

All Board authority conferred on management is delegated through the Chief Executive Officer, so that the authority and accountability of management is regarded as the authority and accountability of the Chief Executive Officer insofar as the Board is concerned. The Chief Executive Officer is responsible for leading the implementation and execution of the Group's strategy, policies and operational plans and reports to the Board.

The Board is satisfied that the delegation of authority framework sufficiently sets out the effective exercise of authority and responsibilities throughout the Group.

A Company Secretary has been appointed in compliance with the Companies Act, the JSE Listings Requirements and the recommendations of the King IV report.

GOVERNANCE FUNCTIONAL AREAS

Principle 11: The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.

In terms of the Board charter, the Board is responsible for the governance of risk, which is delegated to the Audit and Risk Committee but without abdicating the Board's responsibility. Risks are reviewed and prioritised by the Board on a regular basis.

Management has responsibility for implementation of the risk management plan in accordance with the Board approved policy and framework.

Management continuously identify, assess, mitigate, and manage risks as part of normal operational management processes.

TECHNOLOGY AND INFORMATION GOVERNANCE

Principle 12: The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.

In terms of the Board charter, the Board is responsible for the governance of information technology ("IT"). Management has the responsibility for the implementation of the IT governance framework.

Management continues to prioritise the mitigation of cyber security risks.

COMPLIANCE GOVERNANCE

Principle 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.

In terms of the Board charter, the Company is committed to compliance with applicable laws, and the Company remains informed on and complies with all applicable laws, and considers adherence to relevant non-binding rules, codes, and standards.

Compliance risk forms part of the Company's risk management framework, the implementation of which is delegated to management and overseen by the Audit and Risk Committee.

The Social and Ethics Committee has also been mandated to monitor the effectiveness of compliance management.

There were no material penalties, sanctions, fines for contraventions of or non-compliance with regulations during the period under review.

REMUNERATION GOVERNANCE

Principle 14: The governing body should ensure that 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 Report sets out the Company's remuneration and reward philosophy, policy and practices for non-executive directors, executive directors, executives, and senior managers. The Remuneration Report, including the remuneration policy and the implementation report, are set out on pages 107 to 133 of this Integrated Annual Report.

Shareholders approve non-executive directors' fees at the Company's AGM.

The remuneration policy and implementation report will be placed before shareholders at the Company's AGM for binding ordinary votes in accordance with sections 30A and 30B of the Companies Act.

If the remuneration policy is not approved, it will be presented at the next AGM or at a shareholders' meeting called for that purpose. Once approved, the remuneration policy will remain in force for a period of three years from approval and must be approved every three years thereafter. The remuneration policy may be amended prior to the end of the three-year period provided that any material amendment can only be implemented after it is approved by shareholders by an ordinary resolution at a shareholders' meeting called for that purpose or an AGM.

If the implementation report is not approved, the Remuneration Committee must, at the next AGM, present an explanation on the manner in which the shareholders' concerns have been taken into account and the non-executive members of the Remuneration Committee (excluding those who have served on the Remuneration Committee for less than 12 months in the year under review) must stand for re-election as members of the Remuneration Committee at the AGM at which the explanation is presented. If at such subsequent AGM, the remuneration report is also not approved by ordinary resolution of the shareholders, the non-executive members of the Remuneration Committee (excluding those who have served on the Remuneration Committee for less than 12 months in the year under review) will not be eligible to serve on the Remuneration Committee for a period of two years thereafter.

Shareholders are invited to engage with the Company ahead of the AGM regarding any queries of concerns that they may have on the remuneration policy and implementation report.

Following each AGM the Company will engage with dissenting voters with a view to addressing legitimate and reasonable objections and concerns raised.

ASSURANCE

Principle 15: The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and the organisation's external reports

The Board has established an internal audit function to assist the Audit and Risk Committee and the Board in exercising good corporate governance by providing independent, objective assurance that key operating and financial risks are adequately identified, managed, and controlled by risk management, internal control and governance processes put in place by management. The internal audit function is outsourced to an independent professional firm.

The assurance activities of management, internal and external audit are coordinated with each other, with the relationship between the external assurers and management monitored by the Audit and Risk Committee.

STAKEHOLDER RELATIONSHIPS

Principle 16: In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders with the best interests of the organisation over time.

Stakeholder engagement is an important aspect of the Company's responsibilities, and it formally identifies and recognises material stakeholders with legitimate interests with whom it engages on relevant issues.

Management is responsible for proactively dealing with stakeholder relationships and engagements.

All holders of the same class of shares, including minorities, are treated equitably in accordance with the preferences, rights, limitations and other terms applicable to such shares and any other relevant provisions of the Companies Act and the JSE Listings Requirements.

Disputes with stakeholders are addressed in the appropriate forum and steps are taken to ensure that such disputes are resolved as effectively, efficiently and expeditiously as possible.

The Company communicates with stakeholders in a variety of forms as more fully set out on pages 37 and 38 of this Integrated Annual Report.

SOCIAL AND ETHICS COMMITTEE REPORT

The Social and Ethics Committee ("Committee") was constituted in August 2011 in terms of the Companies Act No. 71 of 2008, as amended, and the Regulations thereto ("the Companies Act 2008"), and adopted formal terms of reference, delegated to it by the Board, as its charter. The charter is subject to the provisions of the Companies Act 2008 (in particular Section 72 as read with Regulation 43).

The responsibilities and duties of the Committee are:

- To monitor the Company's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to:
 - Social and economic development;
 - Good corporate citizenship;
 - The environment, health, and public safety;
 - Consumer relationships;
 - Labour and employment; and
 - The Company's ethics codes and performance.
- To draw matters within its mandate to the attention of the Board as the occasion requires.
- To report, through one of its members, to the shareholders at the Company's Annual General Meeting on the matters within its mandate.

The Committee has discharged its functions in terms of its charter and fulfilled its mandate in terms of the Companies Act. In particular, it has reviewed the Company's activities, having regard to relevant legislation and other legal requirements and best practice and has satisfied itself that the Company has met its legal, regulatory and other requirements relating to the matters under the Committee's remit, that there are no instances of material non-compliance to disclose, and that adequate procedures are in place to ensure continued compliance.

The Committee has unrestricted access to all Company information, employees, and directors and is authorised, after discussion with the Chairman of the Board where necessary, to investigate any matters within its terms of reference; seek external professional advice; secure the attendance of relevant consultants at its meetings; and implement policies approved by the Board.

For details regarding the composition and meetings of the Committee, shareholders are referred to the Corporate Governance Report on pages 96 to 99.





REMUNERATION REPORT

The Company has taken note of the implementation of the King V Report on Good Governance for South Africa 2025 ("King V report"), the provisions of which are applicable to the Company from the start of the 2027 financial year and thus from 1 July 2026. Whilst this report is accordingly still aligned to the King IV Report on Corporate Governance for South Africa ("King IV report"), which applied to the Company for the 2026 financial year, the Company has done a comprehensive review of the King V report and is comfortable that the Company's current policies and practices are materially aligned thereto. It is not anticipated that any material changes will need to be made but any changes made will be reported on in 2027. The Company has also noted the implementation of sections 30 (as amended), 30A and 30B of the Companies Act, 71 of 2008 ("Companies Act"), with effect from 22 May 2026, and the amended JSE Listings Requirements, effective from 16 February 2026, and this report incorporates any required changes.

This report consists of three parts, namely this background statement, an overview of the Company's remuneration policy, and an implementation report.

PART 1: BACKGROUND STATEMENT

A critical factor in the Company's sustained progress over many years has been the Company's ability to attract and retain a community of competent senior managers in a highly competitive skills market. This has been fostered by the application of a remuneration framework that aligns management with shareholders and provides sufficient financial reward to motivate and retain them.

Voting on the remuneration policy and implementation report

At the Annual General Meeting ("AGM") held on 11 November 2025 and in accordance with the recommendations of the King IV report, shareholders were presented with a non-binding advisory resolution to endorse the Company's remuneration policy and implementation report. The following table shows the percentage of non-binding votes cast in favour of the policy and report over the past four years:

	November 2025	November 2024	November 2023	November 2022
Remuneration policy	57,51%	66,60%	65,16%	61,23%
Remuneration report	58,61%	64,20%	33,57%	60,87%

With effect from the 2026 AGM and in terms of the provisions of sections 30A and 30B of the Companies Act, shareholders will be required to vote separately on the remuneration policy and the implementation report by ordinary resolution. Unlike

the non-binding advisory votes under the King IV report, the votes under the Companies Act are binding and have consequences for the Company and the Remuneration Committee ("Remcom"). Shareholders are invited and encouraged to engage with the Company ahead of the AGM regarding any queries of concerns that they may have on the remuneration policy and implementation report before making their voting decisions.

Following each AGM the Company will also engage with dissenting voters with a view to addressing objections and concerns raised.

If the remuneration policy is not approved, it must be presented at the next AGM or at a shareholders' meeting called for that purpose. Once approved, the remuneration policy will remain in force for a period of three years from approval and must be approved every three years thereafter. The remuneration policy may be amended prior to the end of the three-year period provided that any material amendment can only be implemented after it is approved by shareholders by an ordinary resolution at a shareholders' meeting called for that purpose or an AGM.

If the implementation report is not approved, Remcom must, at the next AGM, present an explanation on the manner in which the shareholders' concerns have been taken into account and the non-executive members of Remcom (excluding those who have served on Remcom for less than 12 months in the year under review) must stand for re-election as members of Remcom at the AGM at which the explanation is presented. If at such subsequent AGM, the remuneration report is also not approved by ordinary resolution of the shareholders, the non-executive members of Remcom (excluding those who have served on Remcom for less than 12 months in the year under review) will not be eligible to serve on Remcom for a period of two years thereafter.

Engagement with shareholders in 2025

In accordance with the King IV report, following the 2025 AGM the Company invited dissenting shareholders to forward their concerns or questions on the remuneration policy and the implementation report to the Company Secretary. Engagements were held with these shareholders or their representatives, to address all legitimate and reasonable questions, objections, and concerns raised.

With an ever-increasing focus on executive remuneration and many different views on what is acceptable or not, it is impossible to fully meet every shareholder's expectation within a single framework, sometimes leading to a lack of support for changes or the remuneration policy as a whole because of relatively minor differences in views.

REMUNERATION REPORT continued

What is important is that outcomes are aligned to shareholders and that the framework is properly understood. To this end we have embraced a process of engagement and continuous improvement to improve understanding. The remuneration and reward policy and philosophy are reviewed annually by Remcom, account is taken of feedback received from shareholders, and changes are made as appropriate.

The issues raised in 2025 included:

ISSUE RAISED	RESPONSE
Improved disclosure of KPIs for long- and short-term incentive schemes	
• Improved disclosure regarding non-financial/ESG KPIs for executive management on the short-term incentive scheme • The inclusion of ESG KPIs into the long-term incentive scheme performance conditions, which should not be the same as the KPIs on the short-term incentive scheme but should focus respectively on long- and short-term goals • Improved disclosure to assess the KPIs against outcomes and shareholder alignment and guidance on forward-looking KPIs for assessing the overall effectiveness of the remuneration policy	The non-financial KPIs are set annually and reviewed by Remcom to ensure that they remain relevant. Individual KPIs, flowing from the approved non-financial KPIs, may include the achievement of specific projects and the implementation of credible price and brand architecture strategies. The more significant KPIs are detailed in the annual short-term incentive scheme parameters, which are shared with the businesses. As individual KPIs are aligned to business strategies, these are confidential or price sensitive but are designed to ensure that focus remains on the most important metrics. The individual performance ratings disclosed annually in the Remuneration Report encapsulate achievement against the KPIs. Remcom assesses the level of achievement of these indicators on a qualitative basis. There is no deviation between bonus outcomes and wider financial performance of the Group, with growth in earnings, return on capital employed, and the Company's share price. Further disclosure of the ESG KPIs for the short-term incentive scheme have now been included in the table on page 144. The outcomes of the ESG KPIs may be found in the Sustainable Development Report on page 34. Achievement of these KPIs is measured annually by a number of metrics, which include, but are not limited to, compliance with legislative requirements; industry and international standards and certifications obtained and successfully maintained; efficient use and conservation of natural resources and reduction in use wherever possible taking into account production volumes; initiatives implemented for improvements in efficiency; initiatives for transitioning to alternative, more environmentally friendly, sources where possible; reduction in food and other production waste; comprehensive and effective waste management strategies; and adherence to legislative requirements regarding the use of chemicals in the manufacture of footwear, apparel, cosmetics, and body care products. All of the Company's long-term incentive schemes include a performance measure requiring participants to maintain agreed individual performance targets aligned to the annual short-term incentive measures, which includes ESG KPIs. It would be ineffective to have short-term and long-term KPIs that are non-aligned.

ISSUE RAISED	RESPONSE
Long-term incentive schemes	
Revised AVI Limited Executive Share Incentive Scheme – improved disclosure in respect of the weighting of financial and non-financial measures	This is a share appreciation rights scheme with the overall value of the reward underpinned by share price growth. In addition to share price growth there is a performance condition requiring the average ROCE over the vesting period to be ahead of the WACC. If the ROCE target is not achieved, then the options lapse. The other performance conditions require participants to remain employed with the Company over the vesting period and to maintain their agreed individual KPIs aligned to the annual short-term incentive measures. Commentary regarding individual KPIs as they pertain to both the short- and long-term schemes is included on the previous page
AVI Limited Deferred Bonus Share Plan – disclosure of the portion of the bonus that can be deferred and whether deferral is compulsory, particularly given that there is no minimum shareholding requirement for executives	The allocations on this scheme are directly linked to that year's bonus target achievement, and, as explained to shareholders when the scheme was approved in 2016, the value of the awards allocated is determined with reference to each eligible participant's annual bonus earned under the short-term incentive scheme for that year. The number of shares awarded as a percentage of the short-term bonus will therefore vary from year-to-year based on the financial multiple achieved and individual KPI scores achieved. The percentage allocation (pre-EVA impact) for the executive directors and other executive and senior management, as approved by Remcom, are now included on page 118
AVI Limited Out-Performance Scheme – • Inconsistency of the peer group that is annually selected by Remcom • Disclosure of the weighting of financial and non-financial measures • Disclosure of whether the awards can still be granted if only individual KPIs are achieved but the Total Shareholder Return (TSR) target is not met	• The peer group is largely consistent year-on-year. There may be small differences as Remcom considers annually the most appropriate peers in various industry sectors and takes into account delistings and/or mergers and/or new listings that have occurred since the previous year. The peer set approved in 2025, for example, shares 27 companies (out of a total peer set of 30) with the 2024 peer set, which in turn shared 28 companies with the 2023 peer set • There is no weighting of the financial and non-financial measures owing to the mechanics of the performance conditions as set out below. The non-financial measures are continued employment and achievement of individual KPIs for purposes of the short-term incentive scheme, i.e. above 50%. Failure to meet both of the non-financial measures would disqualify the participant regardless of the achievement of the TSR target • The awards cannot be granted if only individual KPIs are achieved but the TSR target is not met. If the TSR performance is ranked below the 50th percentile, then there is zero vesting and all awards lapse on the vesting date, regardless of the achievement of individual KPIs • Awards on this scheme are subject to sacrifice of an equivalent number of incentive plan instruments under either the Revised AVI Limited Executive Share Incentive Scheme or Phantom Share Incentive Schemes

REMUNERATION REPORT continued

ISSUE RAISED	RESPONSE
Long-term incentive schemes (continued)	
Disclosure of scaled performance targets, showing vesting conditions at threshold, on target, and stretch target performance levels, to be agreed with shareholders and disclosed before the performance period, reflected side-by-side with actual performance after the end of the period	The long-term incentive schemes in place were all previously presented to and approved by shareholders. The mechanics and performance conditions outlined in the table on pages 118 to 121 align with those approved, with zero vesting of instruments under conditions where the performance conditions are not achieved. On the individual schemes: • The Revised AVI Limited Share Incentive Scheme was approved in 2016 by shareholders without scaled performance targets • Scaled performance targets are inherent in the mechanics of the AVI Limited Out-Performance Scheme by virtue of the Company being required to meet TSR performance targets relative to its peers, in order to achieve vesting at pre-determined multiples, with zero vesting below the 50th percentile. Details of the required TSR performance against the potential vesting multiples are set out on page 119 • The AVI Limited Deferred Bonus Share Plan does not specifically have scaled performance targets, but it is linked to the performance entry criteria for the short-term incentive scheme during the relevant financial year, which itself is scaled by its very nature. Allocations are dependent on the quantum of the annual bonus earned based on the Company's financial and non-financial KPIs, modified by the individual's performance rating

This report sets out the Company's remuneration and reward philosophy, policies, and practices for non-executive directors, executive directors, executives, and senior managers. It also provides details of the remuneration paid to and, where applicable, share options acquired by executive directors and executive management during the financial year ended 30 June 2026.

This report can be accessed electronically at www.avi.co.za.

PART 2: OVERVIEW OF THE REMUNERATION POLICY

Remuneration and reward philosophy

The objective of the Company's remuneration and reward framework is to attract, retain and motivate the most talented people available to the Group to align with its determination to deliver superior returns to shareholders.

The reward framework is designed to:

- attract and recruit talented people from a shrinking pool of talent;
- retain competent employees who enhance business performance;
- retain employees with potential through their development cycle;
- direct employees' activities towards business priorities;
- recognise and reward employees for superior performance;
- support a high-performance environment; and
- support the Company's transformation agenda.

The long-term success of the Company is linked to the people it employs, and it is therefore imperative to align the interests of our employees with those of shareholders. During the year under review the Company's remuneration and reward practices played a material role in retaining key talent and supporting the achievement of the Company's objectives.

The Company has a strict non-discrimination policy relating to, inter alia, terms and conditions of employment, remuneration, and reward. Any unfair discrimination is prohibited.

Remuneration principles

The Company's remuneration policy is aligned to business strategy, objectives, and values, and designed to support delivery of superior returns aligned to the interests of its shareholders. It is designed to ensure that executive remuneration is fair and responsible, consistent with effective risk management, rewards employees on a total rewards basis, benchmarks remuneration to the market median, and rewards superior performance.

Short-term incentive structures are capped and allow for the Company to pay a low bonus should the performance of the Company, or an individual division, warrant this.

Performance measures are both quantitative and qualitative and are consistently calculated. These measures are based on stretch targets that are verifiable and relevant.

Pay bands are not fixed to job grades and there is an overlap between pay bands to allow for sufficient flexibility to remunerate employees based on differing roles, skill sets, and market demand.

Composition of remuneration and rewards

In the year under review, the remuneration packages of executive directors and senior management continued to comprise:

- a guaranteed remuneration package (structured as the employee's total cost to the Company);
- an annual bonus based on business and individual performance, which focuses on attaining results in both the short- and medium-term and ensuring the successful execution of the strategy. The bonus provides employees with a performance-based incentive opportunity;
- long-term incentive plans, which only vest on achievement of pre-set performance and service conditions, and which are crucial in retaining key employees, focusing on longer-term strategic achievements, and rewarding sustainable Company performance; and
- access to retirement fund and medical aid benefits funded from their guaranteed remuneration package.

No contractual obligations exist that may give rise to payments on termination of employment other than such payments that are statutorily required to be paid. It does, however, from time to time become necessary to make ad hoc ex gratia termination payments in order to facilitate a smooth transition from one incumbent to another in the best interests of the Company and this is done on a case-by-case basis. The Group CEO has the discretion to authorise such payments. The rules of the Company's short- and long-term incentive schemes contain termination provisions that govern payments made to employees who leave the Company's employ either as "good leavers" (no-fault terminations) owing to death, ill health, disability, injury, retrenchment, retirement, or the sale of a subsidiary company, or "bad leavers" (fault terminations) owing to resignation or dismissal on grounds of misconduct, poor performance, dishonest behaviour or fraudulent conduct, or abscondment.

In exceptional cases it may be necessary to offer immediate or deferred sign-on payments in order to secure business critical appointments. Deferred sign-on payments may be made subject to forfeiture should the employee leave prior to the payment date, and all immediate cash payments would be subject to clawback should the employee leave within an agreed period. The Group CEO is required to authorise such payments, whether immediate or deferred.

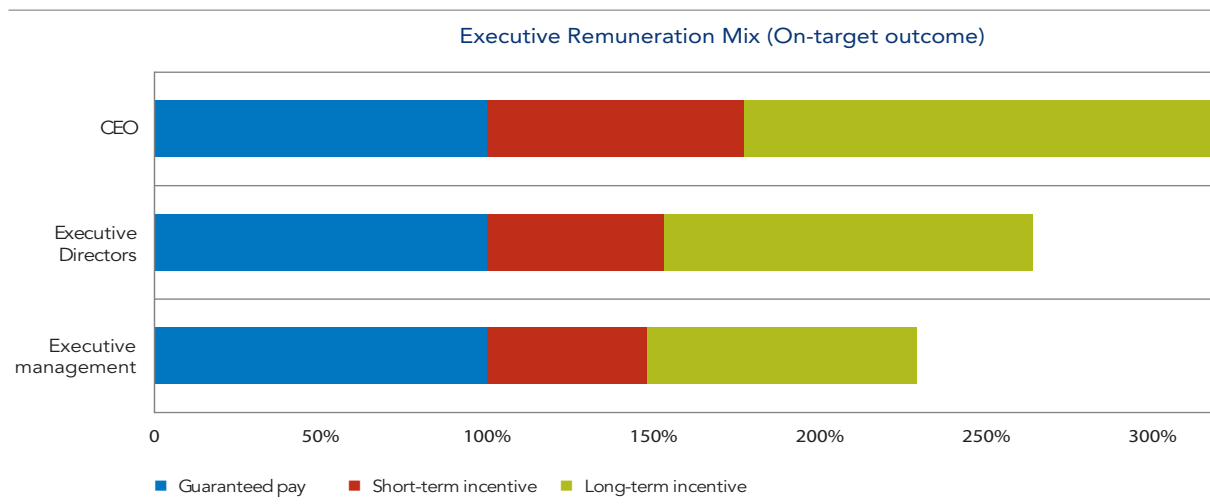
From time to time and considering risk factors at the time, including the risk of losing critical skills and key employees, Remcom is authorised, where deemed appropriate, to implement special retention bonus payments for identified individuals, over and above the approved, annual, performance-related bonuses. The determination of such awards also takes into consideration the existing embedded value in long-term incentive instruments.

REMUNERATION REPORT continued

The on target pay mix for the Chief Executive Officer, executive directors, and executive management, is as follows:

Category of employee	Guaranteed base pay %	Short-term incentives %	Long-term incentives %
CEO	30	24	46
Executive directors	36	20	44
Executive management	40 – 45	15 – 20	35 – 40

The following graph shows how the Group long- and short-term schemes operate for on target outcomes relative to the guaranteed remuneration for the Chief Executive Officer, the executive directors, and executive management:



The above is further illustrated in the table below for the three executive directors:

					Long-term incentives						Total Full Value Equivalent of LTIs R'000	Total salary (On-Target) R'000
					DBSP Participation %	DBSP Full Value Equivalent Award R'000	RESIS Participation* %	RESIS Full Value Equivalent Award** R'000	OPP Participation %	OPP Full Value Equivalent Award R'000		
Guaranteed Remuneration R'000	STI Participation %	STI On-Target Award R'000										
SL Crutchley	CEO	18 963	80	14 602	50	9 482	175	6 637	60	11 378	27 496	61 061
JC O'Meara	CFO	7 644	55	4 046	35	2 675	145	2 217	50	3 822	8 714	20 404
M Koursaris	Executive Director	9 497	55	5 027	35	3 324	145	2 754	50	4 748	10 826	25 350

Proportion of guaranteed remuneration

		Guaranteed Remuneration %	STI On-Target Award %	Long-term incentives			Total Full Value Equivalent of LTIs %	Total salary (On-Target) %
				DBSP Full Value Equivalent Award %	RESIS Full Value Equivalent Award** %	OPP Full Value Equivalent Award %		
SL Crutchley	CEO	100	77	50	35	60	145	322
JC O'Meara	CFO	100	53	35	29	50	114	267
M Koursaris	Executive Director	100	53	35	29	50	114	267

* The RESIS participation takes into consideration the sacrifice of instruments required in terms of the rules of the OPP Scheme.

** The full value equivalent of the RESIS award has been reflected on a 1:5 ratio given that RESIS instruments are share appreciation rights and are issued at a strike price which aligns with market prices at the time of the award.

Guaranteed remuneration

Remcom reviews the salaries of the executive directors and executive management annually, and benchmarks them against similar sized companies and industries.

Assessments against the market are done in respect of total remuneration as well as the component parts using, inter alia, the REMchannel benchmarking tool, which determines a competitive and reasonable market benchmark against the Company's peers with which to measure the Company's executive and senior management remuneration. In addition to benchmarking data, the Company also considers external economic indicators, the Company's trading performance, budget constraints, skills shortages, and individual performance, all of which underpin returns to shareholders.

Remuneration for employees who are regarded as established performers is determined by using the market median as a strong guideline. Remuneration for employees who are clear out-performers or have scarce or specific critical skills, is determined by using the upper quartile as a strong guideline. Employees who are regarded as under-performers are paid below the median and are actively performance managed. This approach recognises the market forces in play and the heightened requirement to attract and retain talented employees. The Company's diverse operations that sometimes require very specific sets of skills, and the need to attract and retain talented employees in general, often makes it necessary to offer to remunerate executives with proven track records at the upper quartile.

The Company considers both internal and external remuneration equity when appointing new employees or when existing employees are promoted, as well as when conducting annual reviews and considering merit increases.

Executive security

During F23, the Board considered security and risk mitigation measures that needed to be taken to ensure the safety of key executive management, who may be exposed to elevated personal risk because of, inter alia, their employment, and high-profile status. In some instances, senior executives had received direct threats potentially related to forensic work being done and deteriorating conditions in many areas have created heightened risks in some retail store locations, requiring senior executives visiting these stores for business purposes to be accompanied by personal security.

South Africa is a country with heightened security risks arising from, inter alia, kidnapping, political

protests and demonstrations, crime (particularly violent crime), vehicle hijacking and robberies, and non-delivery of basic services.

Security professionals conducted a comprehensive personal security assessment and developed an overall mitigation/security plan. On completion, the results were discussed with Remcom, and a plan of action was developed.

The Board is of the view that the costs associated with executive security are appropriate and relevant.

The Board accordingly authorised Remcom to consider and approve a personal security benefit, which amount is taxable in the hands of the key executives but is not included in their variable remuneration calculations. The value of the benefit approved and paid in the year under review was R2,6 million (2025: R2,5 million).

Short-term incentive schemes

Annual or short-term incentives are designed to create a performance culture by rewarding employees for annual achievements in terms of pre-determined targets. These incentives are based on a combination of performance targets, including operating profit, headline earnings, and capital employed, all of which are revised and set on an annual basis at a business unit and AVI level, as well as a set of individual non-financial targets, set annually up-front. Individual non-financial KPIs may include strategic modifiers covering the achievement of specific projects to improve profitability. The more significant KPIs are detailed in the annual short-term incentive parameters, which are shared with the businesses. As individual KPIs are aligned to business strategies, these are confidential or price sensitive but are designed to ensure that the focus remains on the most important metrics. The individual performance ratings disclosed annually in the implementation report encapsulate achievement against the KPIs. Remcom assesses the level of achievement against the KPIs on a qualitative basis. There is no deviation between bonus outcomes and wider financial performance of the Group.

Both the financial and non-financial targets are measured after the finalisation of the audited year-end results. The more an employee is able to influence the financial performance of a business unit, due to their role and levels of responsibility, the more their annual incentive is aligned with the financial performance of that business unit. Executive management recommends annual incentives to Remcom for approval. Remcom has the sole discretion, within the framework and parameters of the annually approved incentive schemes, to authorise incentives.

REMUNERATION REPORT continued

The annual incentives payable to executive and other management, for targeted levels of performance, range between 15% and 80% of an employee's guaranteed remuneration package, depending on roles, responsibilities, and individual contributions, determined with reference to market norms and as deemed appropriate by Remcom. The actual incentive payment for the year under review for executive and other management was R109,9 million which was 15,41% of the total remuneration cost to the Company of this group of employees, excluding the cost of the incentives. The payment for the prior year was R121,4 million or 16,74% of the total remuneration cost to the Company.

Earning potentials for short-term incentives

The range of potential bonus awards for short-term incentives for the Chief Executive Officer, executive directors, and executive management are as follows:

Category of employee	On-target bonus (% of TCTC)	Bonus range (% of TCTC)	Company performance portion of bonus	Individual performance portion of bonus
CEO	80%	0 – 180%	75%	25%
Executive directors	55%	0 – 124%	75%	25%
Executive management	50%	0 – 112,5%	50 – 75%	25 – 50%

Weighting of short-term incentive measures

If an employee is eligible for participation in the short-term incentive plan, the employee will have a target short-term incentive plan entitlement, based on the employee's job grade. The measures and weightings used for the Chief Executive Officer, executive directors, and executive management for the year ended 30 June 2026 were:

	Weightings
Financial measure:	CEO, executive directors, and executive management: 75% Other senior management: 50%
Profit and capital employed achieved relative to target (net operating profit before interest, tax ("NOPBT"), and the incentive provisions, and as modified by specific strategic modifiers* set individually for each business unit's short-term incentive scheme by the Group CEO and approved by Remcom annually up-front)**	
Individual non-financial KPIs, comprising:***	CEO, executive directors, and executive management: 25% Other senior management: 50%
- Effective management and delivery of core responsibilities in accordance with individual job specifications - Successful execution of key short- to medium-term projects as defined annually - Management of environmental, social, and governance issues ("ESG"), being efficient resource management and implementation of environmental practices designed to measure and mitigate environmental impacts, including in respect of****: - Scarce resources; - Areas of biodiversity; - Water and energy use and total carbon emissions; - Paper and plastic packaging (including deforestation); - Climate change; and - Waste management - Management of each businesses' transformation targets as encapsulated in the relevant 5-year employment equity plans*****	

* Strategic modifiers may include the achievement of specific projects, improved profitability and reduced discounting, formulation and implementation of credible product-specific price and brand architecture strategies, management of working capital balances, significant improvements in factory performance and human capital metrics, and penalties for marketing budget underspends.

** Actual targets are not provided in this policy as these are linked to budget and constitute commercially sensitive information. Achievement against prior year targets has been provided on pages 124 and 125.

*** Individual KPIs are aligned to the long-term business strategy and are designed to ensure that focus remains on the most important metrics.

**** Achievement of the ESG KPIs is measured by a number of metrics, which include, but are not limited to, compliance with legislative requirements; industry and international standards and certifications obtained and successfully maintained; efficient use and conservation of natural resources and reduction in use wherever possible taking into account production volumes; initiatives implemented for improvements in efficiency; initiatives for transitioning to alternative, more environmentally friendly, sources where possible; reduction in food and other production waste; comprehensive and effective waste management strategies; and adherence to legislative requirements regarding the use of chemicals in the manufacture of footwear, apparel, cosmetics, and body care products. The individual performance ratings disclosed annually in the Remuneration Report encapsulate achievement against the non-financial KPIs. Remcom assesses the level of achievement of the indicators on a qualitative basis. There is no deviation between bonus outcomes and wider financial performance of the Group, with growth in earnings, ROCE, and the Company's share price. Individual performance ratings for achievement on these individual KPIs are provided annually in the implementation report. Details of the outcomes of the ESG KPIs are set out annually in the Sustainable Development Report.

***** Achievement of the transformation targets is assessed against the annual employment equity reports and the Broad-Based Black Economic Empowerment ("BBBEE") scorecard verification in accordance with the BBBEE Codes. Individual performance ratings for achievement on these individual KPIs are provided annually in the implementation report. Details of the outcomes of the transformation KPIs are set out annually in the Sustainable Development Report.

The targeted 75% weighting towards financial performance in respect of the Chief Executive Officer, executive directors, and executive management is designed to build a strong, uniform, performance-based culture across the Company, support and reward the achievement of corporate and divisional results, provide significant reward for exceeding set targets, provide a market-competitive total remuneration opportunity, and assist in attraction and retention of talent critical to the Company's success and alignment to metrics that drive shareholder returns. Financial bonuses are earned linearly relative to Net Operating Profit Before Tax ("NOPBT") as a percentage growth in NOPBT per 0.1 x multiple. Any new sources of operating profit included in the accounts not budgeted for at the beginning of the year (e.g., an acquisition) will be ring-fenced and not considered in the final measurement of financial performance.

The range of values that the short-term incentive schemes could yield for F26 for the executive directors and group of executive management as identified later in this report, is as follows:

Executive directors

Range	Value R'000
Minimum financial performance	5 230
Targeted financial performance	23 690
Maximum financial performance	57 918

Other executive management

Range	Value R'000
Minimum financial performance	4 596
Targeted financial performance	12 401
Maximum financial performance	27 554

Retention payments

Remcom is particularly mindful of executive retention and the Company's executive retention strategy is considered annually by Remcom, taking account of on target pay mix and embedded value in long-term incentive schemes. The strategy considers recognition and reward, the impact of change, other opportunities being offered to top talent, flexibility, executive well-being, and shareholder interests. Remcom also annually reviews the entire executive management structure with a view to identifying at-risk executives and the impact it would have on the Company should they be lost to the Group.

Considering the risks to the business Remcom is authorised, where deemed appropriate, with the approval of the Board, to implement special retention payments for key at-risk individuals, over and above the approved, annual, performance-related bonuses. These special retention bonuses would be paid to those individuals on pre-determined payment dates and be designed to incentivise retention. Any special retention payments made in a year to executive management would be reported at the end of that financial year. As at 30 June 2026 no retention payments were authorised or paid for F26.

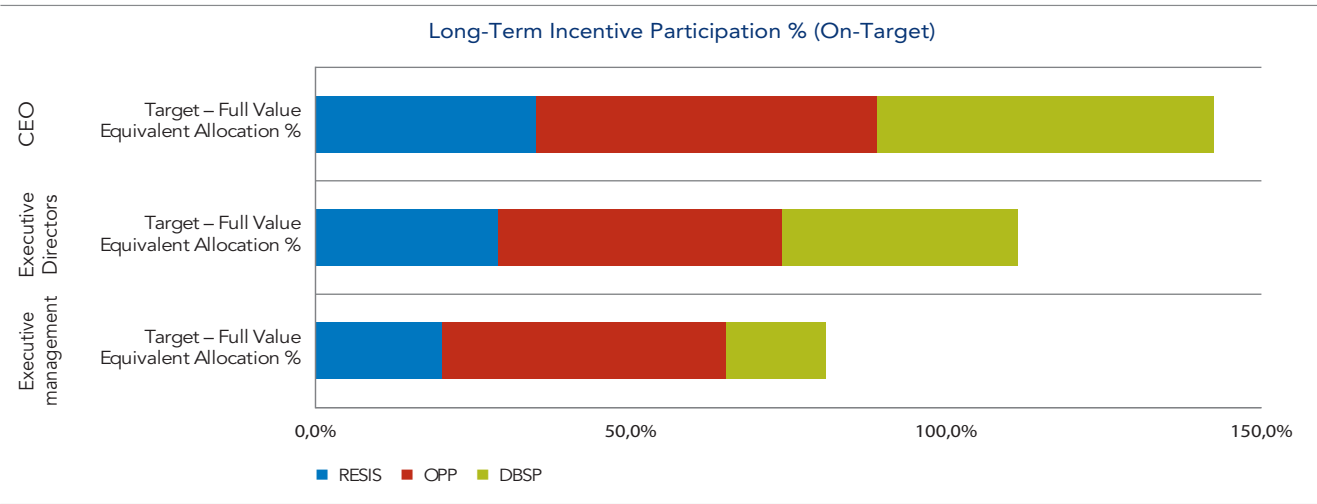
Long-term incentive schemes

Long-term share incentive schemes remain a material part of the Group’s reward framework. The schemes are designed to ensure that appropriate employees are retained over a medium to long-term period, are rewarded responsibly for their efforts, and that their interests are aligned with the interests of shareholders.

The rules, performance conditions, and employment conditions for all share incentive schemes, excluding the phantom schemes which were approved by Remcom, currently in operation at the Company were approved by shareholders in general meetings at inception of such schemes. The shareholder approved share incentive schemes currently in place are the AVI Limited Revised Executive Share Incentive Scheme (“RESIS”), the AVI Limited Deferred Bonus Share Plan (“DBSP”), and the AVI Limited Out-Performance Scheme (“OPP”). The Remcom approved, cash-settled, phantom share incentive schemes currently in place are various Business Unit Phantom Growth Share Schemes (“Phantom”), the AVI Full Value Cash-Settled Phantom Share Scheme (“AVI FV”) and the AVI Business Unit Full Value Cash-Settled Share Scheme (“BU FV”).

The long-term incentive framework has evolved over time with the various long-term schemes working together to achieve an appropriate mix of reward for threshold, on target, and stretch outcomes. The Company and Remcom believe that the continuation of the RESIS, OPP, and DBSP for top executives is necessary, supported by the intended functioning of the full value schemes, to retain an appropriate weighting against performance conditions and reward outcomes and provide the optionality needed to navigate an environment of changing market dynamics to ensure retention whilst achieving alignment with shareholders.

The following graph gives a view of top executive participation across the various schemes as at 30 June 2026, reflected as a percentage of guaranteed remuneration, based on a full value equivalent allocation (i.e. the RESIS participation has been adjusted to reflect a full value equivalent participation on a 1:5 basis) in respect of an on target outcome:



Performance conditions under the full value schemes have been carefully considered, compared against peers, aligned to business objectives, and stretched when compared against our other schemes previously approved by shareholders. The two tables below give insight into the overall weighting and underlying performance conditions (assuming an on target outcome) for top executives under the existing long-term incentive framework. Materially it must be noted that failure to achieve the performance conditions does not result in a partial vesting. Vesting is dependent on target achievement of all performance conditions and cannot occur if only individual KPIs are achieved but the financial targets are not achieved. Furthermore, failure to achieve individual performance conditions (i.e. < 50%) will result in such individuals being excluded from vesting:

Long-term Scheme	Weighting	Allocation and Entry Price Methodology	Performance Conditions
RESIS	25%*	Number of instruments allocated are determined based on the participation % of guaranteed remuneration divided by 10 day VWAP Market Value at time of allocation	• Average 3-year AVI ROCE > 1 x average 3-year AVI WACC • Share Price growth (RESIS only) (vesting price > entry price) • Cash generated > 75% of EBITDA (Full Value Phantom only) • Achievement of individual performance conditions, which include the ESG and transformation KPIs • Remain in employ of the Company
AVI Full Value Phantom**			• Average 3-year AVI ROCE > 1,25 x average 3-year AVI WACC and • Average 3-year AVI cash conversion > 75% • Achievement of individual performance conditions, which include the ESG and transformation KPIs • Remain in employ of the Company
OPP	38%	Number of instruments allocated are determined based on the participation % of guaranteed remuneration divided by 30 day VWAP Market Value at time of allocation	• Tiered vesting based on TSR performance against peer set (zero vesting if below 50th percentile); • Achievement of individual performance conditions, which includes the ESG and transformation KPIs; • Remain in employ of the Company
DBSP	37%	Number of instruments allocated are determined based on the participation % of guaranteed remuneration divided by 10 day VWAP Market Value at time of allocation	• Subject to bonus target achievement (both financial and non-financial); • Achievement of individual performance conditions, which includes the ESG and transformation KPIs; • Remain in employ of the Company

* Combined weighting across the RESIS and Full Value Phantom scheme remains in line with benchmark due to the full value awards being in substitution to RESIS.

** To date no allocations have been made on the AVI Full Value Phantom scheme to the executive directors or senior executive management in grades EM and upwards.

The level of the participants in the share incentive schemes and the extent of their participation, are benchmarked against the market and are approved by Remcom.

REMUNERATION REPORT continued

The nature and key characteristics of the various Group schemes are summarised in the following table:

Scheme name and nature	Participants	Allocation method	Performance conditions	Vesting period	Exercise period								
1. The Revised AVI Limited Executive Share Incentive Scheme (A share appreciation rights scheme that delivers value against share appreciation whilst limiting the dilution impact of share issuances) Approved by 98,49% of shareholders on 3 November 2016	Executive and senior management of the Company and shared services	A percentage of remuneration (between 35% and 235%) determined by Remcom, based on seniority and contribution The percentage allocations for the executive directors and executive management, are as follows: <table><tr><th>Category</th><th>%</th></tr><tr><td>CEO</td><td>235</td></tr><tr><td>Other executive directors</td><td>195</td></tr><tr><td>Executive management</td><td>100 – 165</td></tr></table>	Category	%	CEO	235	Other executive directors	195	Executive management	100 – 165	The employee must remain employed by the Group throughout the vesting period The employee must maintain agreed individual performance targets aligned to the annual short-term incentive measures The share price on exercise must be greater than the allocation price Average return on capital employed over the vesting period ahead of the weighted average cost of capital	Three years from grant date	Within two years from vesting date
Category	%												
CEO	235												
Other executive directors	195												
Executive management	100 – 165												
2. The AVI Limited Deferred Bonus Share Plan (Awards shares based on historical performance. The number of shares awarded as a percentage of the short-term bonus will vary from year-to-year based on the financial multiple achieved and individual KPI scores achieved) Approved by 95,40% of shareholders on 3 November 2016	Executive and senior management of the Company, and high-impact employees, at Remcom’s discretion	A percentage of remuneration (between 0% and 112,5%), determined by Remcom, based on an allocation multiple in relation to the individual’s EVA bonus multiple achieved during the relevant financial year The percentage allocations for the executive directors and other executive management, are as follows: <table><tr><th>Category</th><th>% – Pre-EVA impact</th></tr><tr><td>CEO</td><td>50</td></tr><tr><td>Other executive directors</td><td>35</td></tr><tr><td>Executive management</td><td>15</td></tr></table>	Category	% – Pre-EVA impact	CEO	50	Other executive directors	35	Executive management	15	Linked to performance entry criteria for the short-term incentive scheme during the relevant financial year Allocations are dependent on the quantum of the individual participants’ annual bonus earned based on the Company’s financial and non-financial results modified by the individual’s KPI performance rating The employee must remain employed by the Group throughout the vesting period	Three years from grant date	On the vesting date
Category	% – Pre-EVA impact												
CEO	50												
Other executive directors	35												
Executive management	15												

Scheme name and nature	Participants	Allocation method	Performance conditions	Vesting period	Exercise period																																
3. Various Business Unit Phantom Growth Share Schemes (Notional, cash-settled, share option schemes that deliver value against the subsidiaries' performance and the Company's price earnings ratio) Approved by Remcom in 2011	Business unit executive and senior management	A percentage of remuneration (between 35% and 165%), determined by Remcom, based on seniority and contribution The percentage allocations are as follows: <table><tr><th>Category</th><th>%</th></tr><tr><td>MD</td><td>165</td></tr><tr><td>Executive management</td><td>75 – 100</td></tr></table>	Category	%	MD	165	Executive management	75 – 100	The employee must remain employed by the Group throughout the vesting period The employee must maintain agreed individual performance targets aligned to the annual short-term incentive measures The share price on exercise must be greater than the allocation price	Three years from grant date	Within two years from vesting date																										
Category	%																																				
MD	165																																				
Executive management	75 – 100																																				
4. The AVI Limited Out-Performance Scheme (A share grant scheme that delivers value dependent upon the Company's performance relative to its peers, being, in respect of each tranche, 32 companies listed on the JSE which are selected annually by Remcom, in its discretion, to constitute the peer group for such tranche and against the Total Shareholder Return ("TSR") of which, the AVI TSR for such tranche will be measured. TSR is defined as the increase in value over the measurement period (expressed as a percentage) of the AVI shares after the notional reinvestment of all distributions made in respect of such shares, using the closing price of the shares on the JSE on the trading day after the date of such distributions)* Approved by 94,47% of shareholders on 24 October 2007	Directors of the Company and select executives of the Company and subsidiaries	Annual, percentage of remuneration (up to 60%), determined by Remcom, based on seniority and contribution The percentage allocations for the executive directors and other executive management, are as follows: <table><tr><th>Category</th><th>%</th></tr><tr><td>CEO</td><td>60</td></tr><tr><td>Other executive directors and executive management</td><td>50</td></tr><tr><td>Other participants based on merit</td><td>15 – 25</td></tr></table> Awards are subject to sacrifice of an equivalent number of incentive plan instruments under either the Revised AVI Limited Executive Share Incentive Scheme or Phantom Share Incentive Schemes	Category	%	CEO	60	Other executive directors and executive management	50	Other participants based on merit	15 – 25	The employee must remain employed by the Group throughout the vesting period The employee must maintain agreed individual performance hurdles aligned to the annual short-term incentive measures The Company must meet TSR performance thresholds relative to its peers in order to achieve vesting at pre-determined multiples, as follows: <table><tr><th>TSR performance</th><th>Vesting multiple</th></tr><tr><td>0</td><td>0,0x</td></tr><tr><td>10</td><td>0,0x</td></tr><tr><td>20</td><td>0,0x</td></tr><tr><td>30</td><td>0,0x</td></tr><tr><td>40</td><td>0,0x</td></tr><tr><td>50</td><td>0,9x</td></tr><tr><td>60</td><td>1,2x</td></tr><tr><td>70</td><td>1,8x</td></tr><tr><td>80</td><td>2,4x</td></tr><tr><td>90</td><td>3,0x</td></tr><tr><td>100</td><td>3,6x</td></tr></table> Zero vesting below 50% TSR performance Vesting cannot occur if only individual KPIs are achieved but the TSR target is not achieved	TSR performance	Vesting multiple	0	0,0x	10	0,0x	20	0,0x	30	0,0x	40	0,0x	50	0,9x	60	1,2x	70	1,8x	80	2,4x	90	3,0x	100	3,6x	Three years from grant date	On the vesting date
Category	%																																				
CEO	60																																				
Other executive directors and executive management	50																																				
Other participants based on merit	15 – 25																																				
TSR performance	Vesting multiple																																				
0	0,0x																																				
10	0,0x																																				
20	0,0x																																				
30	0,0x																																				
40	0,0x																																				
50	0,9x																																				
60	1,2x																																				
70	1,8x																																				
80	2,4x																																				
90	3,0x																																				
100	3,6x																																				

* The peer group is largely consistent year-on-year. Remcom annually considers the most appropriate peers in various industry sectors and takes into account delistings and/or mergers and/or new listings that have occurred since the previous year. The approved peer set for the OPP allocation vesting in October 2026 is Shoprite, Bidvest, Remgro, Woolworths, Clicks, Pepkor, Mr Price, Foschini, Tiger Brands, Truworths, Dis-Chem, Spar, Pick n Pay, Motus, Italtile, Barloworld, Reunert, Omnia, AECL, Adcock Ingram, Afrimat, Oceana, DataTec, Astral Foods, Famous Brands, Cashbuild, Altron, Libstar, RFG, and Zeder.

REMUNERATION REPORT continued

Scheme name and nature	Participants	Allocation method	Performance conditions	Vesting period	Exercise period
5. The AVI Full Value Cash-Settled Phantom Share Scheme (Awards will be in substitution for and not in addition to awards made in terms of the RESIS. Participants' total annual allocation percentage on the RESIS will be allocated either entirely on the RESIS, as is currently the case, or split between the RESIS and the full value scheme. Awards of full value notional shares will be made in a ratio of 1:5 full value notional shares to RESIS) Approved by Remcom in 2023	Executive directors, prescribed officers, senior management, and high-impact employees	A percentage of remuneration aligned to the allocation percentages on the Revised AVI Limited Executive Share Incentive Scheme	- The employee must remain employed by the Group throughout the vesting period - The employee must maintain agreed individual performance targets aligned to the annual short-term incentive measures - Average return on invested capital (ROIC) > 1,25x weighted average cost of capital (WACC) over the three-year vesting period; and - Average cash generated by operations > 75% of earnings before interest, taxes, depreciation, and amortisation (EBITDA) over the three-year vesting period	Three years from grant date	On the vesting date
6. The AVI Business Unit Full Value Cash-Settled Phantom Share Scheme (Awards will be in substitution for and not in addition to awards made in terms of the Business Unit Phantom Growth Share Schemes. Participants' total annual allocation percentage on the Business Unit Phantom Growth Share Schemes will be allocated either entirely on the respective Business Unit Phantom Growth Share Schemes, as is currently the case, or split between the respective Business Unit Phantom Growth Share Scheme and the Full Value Cash-Settled Phantom Schemes. Awards of full value notional shares will be made in a ratio of 1:5 full value notional shares to Business Unit Phantom Growth Share Scheme shares)	Business unit executive directors, prescribed officers, senior management, and high-impact employees	A percentage of remuneration aligned to the allocation percentages on the Business Unit Phantom Growth Share Schemes	Business units excluding I&J – - three-year average return on capital employed (ROCE) for the three full audited financial years immediately preceding the vesting date $\geq$ 1x AVI's average weighted average cost of capital (WACC) over the same three-year period; and - three-year average cash generated by operations divided by earnings before interest, taxes, depreciation, and amortisation (EBITDA) for the three full audited financial years immediately preceding the vesting date $\geq$ 65% I&J – - three-year average return on capital employed (ROCE) for the three full audited financial years immediately preceding the vesting date $\geq$ I&J's ROCE calculated on entry using the full year audited financial results immediately preceding the award date; and - three-year average return on capital employed (ROCE) for the three full audited financial years immediately preceding the vesting date $\geq$ AVI's required risk-free return on capital employed	Three years from grant date	On the vesting date

Scheme name and nature	Participants	Allocation method	Performance conditions	Vesting period	Exercise period
7. I and J Staff Holding Company (Pty) Ltd (An I&J share rights scheme that delivers value against I&J share price appreciation and is an integral part of I&J's compliance for the allocation of long-term fishing rights)	Black employees (as defined in terms of the Broad-Based Black Economic Empowerment Act of 2003) of I&J	All existing black employees from inception of the scheme on 21 December 2021 and annually thereafter all new employees up to the closing date (which will be no less than 14 years from inception date)	The employee must remain employed by I&J up to the redemption date	The current vesting cycle matures during the 2035 financial year	None

The various long-term share incentive schemes do not permit rights or options to be issued at a discount to their value at the grant date and they do not permit rights and options to be re-priced.

Set out in the following table is a summary of the AVI shares currently authorised by shareholders for use in the approved share schemes and the remaining authorised but not issued number:

Scheme name	Authorised number	Authorised number as % of total issued share capital*	Remaining authorised but not issued number	Remaining authorised but not issued number as % of total issued share capital*
Revised AVI Limited Executive Share Incentive Scheme (share appreciation rights plan)	5 213 369	1,5	4 602 708	1,3
AVI Limited Deferred Bonus Share Plan	4 819 747	1,4	4 509 363	1,3
AVI Limited Out-Performance Scheme	6 915 158	2,0	2 949 498	0,9
Total	16 948 274	4,9	12 061 569	3,5

* As at 30 June 2026.

In accordance with the scheme rules previously approved by shareholders on inception of each of the above schemes, no participant in the schemes is entitled to acquire shares and/or options, which would in total equate to more than 2,0% (two percent) of the total issued share capital of the Company unless otherwise agreed by the Board and sanctioned by the Company in general meeting in accordance with the JSE Listings Requirements.

As at 30 June 2026 no individual participant holds shares and/or options equating to more than 2,0% of the total issued share capital of the Company.

Malus and clawback

In order to align with shareholder expectations and best practice, in 2019 Remcom adopted a malus and clawback policy for variable executive remuneration, including both long- and short-term incentives, which policy applied prospectively from 1 October 2019 to all participants (or former participants) regardless of whether or not they are still in the employ of the Group, on all Group schemes.

Malus provisions allow for an ex-ante adjustment of variable pay on the occurrence of specific trigger events; and clawback provisions create an ex-post obligation for participants to repay amounts to the Company on the occurrence of specific trigger events.

Remcom may cancel or reduce the number of shares or amount of a short-term incentive awarded if a participant, or former participant, is associated with any trigger event.

Remcom can demand repayment of an amount up to the pre-tax value of any long- or short-term incentive if a participant, or former participant, is associated with any trigger event.

Clawback provisions are subject to prescription in terms of the Prescription Act, 68 of 1969.

REMUNERATION REPORT continued

Trigger events include:

- a. Material misstatement of the financial statements (including materially incorrect, misleading or misrepresented information) of the Company or a subsidiary, whether deliberate or not, but excluding restatements caused by changes in accounting standards or interpretations.
- b. Misconduct, fraud or dishonesty, or material breach through error, omission or negligence of a participant's (or former participant's) obligations to the Company or a subsidiary, including directing another employee to act fraudulently, dishonestly, or to undertake other misconduct. This would include adverse findings by a court or regulator against the Company or a subsidiary for which the participant (or former participant) is found to have culpability.
- c. The Company or a subsidiary suffers a material failure in risk management.
- d. An error in calculation of a performance measure.

Remcom will apply its discretion to decide whether malus or clawback provisions should be enforced, having due regard to the principles of substantive and procedural fairness. Remcom will, in each instance, take due regard of all legal and other implications and costs involved in implementing any malus or clawback provisions prior to reaching a decision to do so.

The exercise of any vested but unexercised options will be suspended pending the outcome of any investigation.

The policy is designed to be preventative and remedial.

This policy is communicated to all participants at the time of making allocations on all schemes and acceptance of the policy is a condition of participation in the incentives.

Benefits

Retirement fund contributions

Defined contribution pension and provident fund arrangements exist throughout the Group. Retirement funding contributions are charged against expenditure when incurred. Executive and management employees are remunerated on a total cost to company basis and therefore all funding requirements for retirement benefits are borne by these employees. The assets of retirement funds are managed separately from the Group's assets by boards of trustees. The trustees are both Company and employee elected, and where appropriate the boards have pensioner representation. The boards of trustees oversee the management of the funds and ensure compliance with all relevant legislation.

Medical aid contributions

The Anglovaal Group Medical Scheme, a restricted membership scheme, offers medical benefits for the employees of participating employers in the Group. The scheme is managed by a board of trustees elected by members (including pensioners) and employer companies

and is administered by Discovery Health. An audit and investment committee assists the board of trustees. As with the Group's retirement funds, the assets of the scheme are managed separately from those of the Group. The board of trustees ensures compliance with all relevant legislation and, in particular, manages the relationship with the Council of Medical Schemes. Executive and management employees are remunerated on a total cost to company basis and therefore all funding requirements for this scheme are borne by employees.

Fair and responsible remuneration and pay gaps

The King IV report emphasises the need for executive remuneration that is fair and responsible in the context of overall employee remuneration. The Board and Remcom regard this as an important issue that requires careful consideration and discussion with a view to understanding the criteria for determination of "fair and responsible" remuneration and how this can be assessed and, if appropriate, adjusted.

The Institute of Directors Remuneration Committee Forum Position Paper ("the Position Paper") on "*Fair and responsible remuneration*" considers this issue and concludes that fair and responsible remuneration cannot be achieved through legislation or regulation, but rather through ethical leadership, which is a primary responsibility of the Board. Fairness is defined in the King IV report as "*the equitable and reasonable treatment of the sources of value creation, including relationship capital as portrayed by the legitimate and reasonable needs, interests and expectations of material stakeholders of the organisation*". Principal 14 of the King IV report provides that "*the governing body should ensure that 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 Position Paper suggests, inter alia, the following considerations in setting the direction for fair and responsible remuneration:

- Remuneration decisions should be made in the context of broader "value-sharing" and "value-contributing" decisions that take into account the other classes of stakeholders, including shareholders, customers, and all levels of employees.
- Horizontal fairness implies "equal pay for equal work" but horizontal differences are not unfair if the difference is based on one or more factors, such as seniority and length of service; qualifications, ability, competence, or potential above the minimum acceptable levels required for the job; individual performance, quantity or quality of work; and/or a shortage of relevant skills;
- Vertical differences that can be explained and justified on a consistent basis and which are "*proportional both to the size and weight of each individual post and to the individual's performance in the past*".

- Variable remuneration that is contingent on and correlates with the achievement of criteria that measure performance and value creation over the short, medium and long-term and which goes up or down as performance goes up or down and which also would accrue only after a minimum threshold of performance is achieved.
- Carefully designed and tested incentive schemes under different performance scenarios.

Furthermore, the Position Paper cautions against, inter alia, the following: variable pay funded solely from cost reductions generated by retrenchments; overreliance on industry benchmarks that could have a ratcheting effect on remuneration (and urges that the relevant peer group be carefully chosen and the information used as a guide to competitive pay levels only); and avoiding exploitative remuneration at the lowest levels.

Pay gap reporting as required in terms of the Companies Act is included in the implementation report. It is the Company's policy that internal micro pay gap analyses are done to identify any concerns regarding unfair remuneration practices and to take steps to reasonably address the concerns. Whilst macro pay gap analyses provide little insight into where problems may exist, vertical micro pay gap analyses between job grade bands and horizontal micro pay gap analyses within job grades can provide management with information to identify if and where unjustifiable or discriminatory pay gaps exist and possible causes thereof, to enable corrective action to be taken.

Non-executive directors' emoluments

Non-executive directors are remunerated in line with market-related rates for the time required to discharge their ordinary responsibilities on the Board and its sub-committees. A portion of the fees is paid as a retainer with the balance being paid for attendance of normal scheduled meetings. For extraordinary ad hoc services rendered that fall outside their ordinary duties, the non-executive directors are remunerated by way of a market-related hourly fee, subject to authorisation by Remcom.

Non-executive directors are not appointed under service contracts, their remuneration is not linked to the Company's financial performance, and they do not qualify for participation in any short-term bonus schemes or long-term share incentive schemes.

PART 3: IMPLEMENTATION REPORT

Executive management remuneration

The following disclosure is made in accordance with the King IV report recommendation on disclosure of remuneration paid to executive management during F26 (being the executive Board members and executive management), for the year under review:

F26								
Executive directors	Salary R'000	Bonus and performance-related payments R'000	Pension fund contributions R'000	Gains on exercise of share incentive instruments* R'000	Other benefits and allowances** R'000	Termination benefits R'000	Gains on early exercise of share options owing to termination R'000	Total F26 R'000
SL Crutchley	17 322	15 746	1 357	76 215	2 833	–	–	113 473
JC O'Meara	6 835	4 300	631	18 903	178	–	–	30 847
M Koursaris	8 395	7 221	1 045	30 844	1 518	–	–	49 023
								Total F25 R'000
								90 504
								17 004
								41 166

* Gains on exercise of share incentive instruments represent the actual gain received by the director on exercising vested share incentive instruments. The gain may include the benefit of options exercised across numerous tranches and schemes with awards taking place over a number of years.

** Includes expenses refunded, taxable allowances (including car and security allowances), Company contributions to medical schemes, and annual leave payouts.

REMUNERATION REPORT continued

Bonus and performance-related payments for executive directors for F25 (paid in September 2025) were determined as follows:

Name	F25 target bonus percentage of total cost to company at 1,00 x financial factor %	Actual F25 bonus					
		Percentage of F25 salary %	Financial measures – percentage of total bonus paid %	Individual KPI – percentage of total bonus paid* %	Additional performance-based bonus – percentage of total bonus paid %	Financial factor achieved (multiple of on-target bonus)	Individual KPI rating achieved %
SL Crutchley	80	90	67	33	–	1,00x	100
JC O'Meara	55	62	67	33	–	1,00x	100
M Koursaris	55	83	50	25	25**	1,00x	100

* Determined based on individual KPI ratings achieved, which take into consideration delivery against core responsibilities, execution of key short to medium-term projects, and the effective management of environment, social, and governance issues.

** Additional performance-based bonus of R1 805 245 paid in lieu of separate participation on Snackworks and Entyce Beverages short-term incentive schemes relating to the appointment as Acting Managing Director.

Increases awarded to the executive directors in July 2026 (for F27) were as follows:

Name	Position	Compa Ratio to Upper Quartile after Increase			
		F26 salary R'000	F27 salary R'000	% change	
SL Crutchley	CEO	18 983	20 691	9	0,81
JC O'Meara	CFO	7 643	8 522	11,5	0,93
M Koursaris	Business Development Director/Acting Managing Director of National Brands Limited	9 496	10 588	11,5	0,63

The increases awarded reflect performance against both individual KPIs and benchmarking, as well as the highly portable nature of the executive directors' management and leadership skills, qualifications, and experience and the risk of losing these. The lack of experienced business leaders in South Africa demands that executive remuneration be structured so as to retain valuable skills and maintain continuity of knowledge and experience. In line with the Company's remuneration policy the executive directors are regarded as clear out performers with proven track records who are rewarded within reasonable proximity to the upper quartile.

Executive director salaries are annually benchmarked against an appropriate peer group as there are no appropriate industry benchmarking reports available. This is a common approach amongst JSE listed companies for whom AVI is a peer. The appropriate peer group for benchmarking is chosen from the annually determined OPP peer group, which is approved by Remcom in October of each year. The peer group used for the F27 salary executive director salary benchmarking was Remgro, Bidvest, Pepkor, Clicks, Woolworths, Tiger Brands, Mr Price, Premier Group, Dis-Chem, Truworths, The Foschini Group, and Pick n Pay. Public remuneration data is used to create this bespoke internal survey. Together with factors such as length of tenure, experience, skills, and individual performance are also considered. AVI is in the enviable position of having a CEO who has been with the Group in various executive roles for more than 30 years and been Group CEO since 2005. In addition, the Business Development Director has been with the Group in excess of 20 years and the CFO in excess of 15 years. The wealth of experience, knowledge, and understanding of the Group's business is invaluable and it is essential that AVI is competitive against the national market to ensure retention and appropriate reward. Remcom is comfortable that the CEO and other executive directors' salaries are appropriately benchmarked and that they are appropriately remunerated. Should any of these roles become vacant in future the commencement salaries of new appointees would similarly be determined based on peer benchmarks, and their individual experience and skills, and would not simply be based on the salaries paid to the current incumbents.

The expense for the year in respect of share options granted to executive directors, determined in accordance with IFRS 2 – *Share-Based Payments*, was R45,46 million (2025: R46,93 million).

The executive directors of the Company receive no emoluments from the subsidiaries of the Company.

The F26 emoluments of key executive management who report to the executive directors are as follows:

	F26							Total F26 R'000	Total F25 R'000
	Salary R'000	Bonus and performance-related payments R'000	Pension fund contributions R'000	Gains on exercise of share instruments R'000	Other benefits and allowances* R'000	Termination benefits R'000	Gains on early exercise of share options owing to termination R'000		
RG Coppin	5 792	3 200	446	12 140	–	–	–	21 578	13 960
VA Crystal	3 859	2 322	490	12 121	102	–	–	18 894	14 653
CJ Hall**	2 480	1 586	214	–	89	148	–	4 517	2 960
E van der Merwe***	1 072	1 172	84	5 140	25	7	–	7 500	9 297
M van Rensburg****	1 911	–	175	1 567	43	–	–	3 696	–
SA Moore	3 955	1 505	398	13 161	191	–	–	19 210	12 967
R van der Laan	3 525	972	394	9 813	68	–	–	14 772	10 551

* Includes expenses refunded, taxable allowances (including car allowances), and Company contributions to medical schemes.

** This employee joined the Company on 1 September 2024 and left on 30 May 2026 and consequently both the F25 comparative figures and the F26 actual figures are reflective of periods of less than 12 months.

*** This employee left the Company on 30 October 2025 and consequently the F26 figures are reflective of a period of less than 12 months.

**** This employee was promoted to the role on 1 November 2025, and the F26 figures are therefore reflective of a period of 8 months in this executive role without any comparative F25 figures for the previous period in a more junior role.

Bonus and performance-related payments for key executive management for F25 (paid in September 2025) were determined as follows:

	F25 target bonus percentage of total cost to company at 1,00 x financial factor %	Percentage of F25 salary %	Financial measures – percentage of total bonus paid %	Individual KPI – percentage of total bonus paid* %	Financial factor achieved (multiple of on target bonus)	Individual KPI rating achieved %
RG Coppin	50	54	69	31	1,00x	90
VA Crystal	50	55	68	32	1,00x	95
CJ Hall**	50	45	69	31	1,00x	90
E van der Merwe***	50	35	32	68	0,56x	80
SA Moore	50	35	32	68	0,56x	80
R van der Laan	35	26	31	69	0,56x	85

* Determined based on individual KPI ratings achieved, which take into consideration delivery against core responsibilities, execution of key short- to medium- term projects, and the effective management of environment, social, and governance issues.

** This employee joined the Company on 1 September 2024 and left on 30 May 2026 and consequently both the F25 comparative figures and the F26 actual figures are reflective of periods of less than 12 months.

*** This employee left the Company on 30 October 2025 and consequently the F26 figures are reflective of a period of less than 12 months.

The following section sets out the Group short-term incentive targets and measures as well as Remcom's assessment of the outcome for the financial year ended 30 June 2025. The short-term incentive for the financial year 2025 operated in line with the policy and was paid out during September 2025.

REMUNERATION REPORT continued

Measure	Weighting	Target**	Financial factor multiple bands applicable to target*					
	%	R'm	% of target	% of target	% of target	% of target	% of target	% of target
Financial target – reported EBIT before financial bonus cost	75	3 604,2	>2,3% below target	<2,3% below target	on target	>1,9% above target	>4,7% above target	>7,5% above target
EBIT threshold targets for each band								
Minimum EBIT target				3 520,0	3 604,2	3 671,6	3 772,6	3 873,7
Maximum EBIT target			3 519,9	3 604,1	3 671,5	3 772,5	3 873,6	
Financial factor applicable to band			–	0,50	1,00	1,50	2,00	2,50

	Weighting	Actual** R'm	Performance relative to target	Financial multiple achieved
Financial target – reported EBIT before financial bonus cost	75%	3 617,7	100%	1,00
Adjustments applied in respect of strategic modifiers**		None		

* The financial factor multiple is applied in pre-determined bands based on the outcome compared to the target.

** Strategic modifiers take into consideration the achievement of specific projects, initiatives to improve profitability and reduced discounting, the effective management of working capital, improvements in factory performances and appropriate capital investment, and adjustments for marketing budget underspends.

Unexercised options, share appreciation rights and bonus shares

The following tables reflect the status of unexercised options, share appreciation rights, and bonus shares held by executive management as at 30 June 2026:

Executive directors:

Name	Scheme	Number of options granted	Date granted	Vesting date	Issue price (R)	Allocation value (R)	Vesting multiple at 30 June 2026 (as applicable)	Price at 30 June 2026 (R)	Value at 30 June 2026 (R)
SL Crutchley	AVI RESIS	450 295	1 April 2022	1 April 2025	69,23	31 173 923		100,53	14 094 234
	AVI RESIS	498 092	1 April 2023	1 April 2026	66,48	33 113 156		100,53	16 960 033
	AVI RESIS	190 461	1 April 2024	1 April 2027	91,54	17 434 800		100,53	1 712 244
	AVI RESIS	457 497	1 April 2025	1 April 2028	89,87	41 115 255		100,53	4 876 918
	AVI RESIS	432 185	1 April 2026	1 April 2029	103,22	44 610 136		100,53	–
	AVI OPP	128 962	1 October 2023	1 October 2026	74,00	9 543 188	2,4	100,53	31 114 920
	AVI OPP	100 100	1 October 2024	1 October 2027	104,87	10 497 487	0,9	100,53	9 056 748
	AVI OPP	117 758	1 October 2025	1 October 2028	96,62	11 377 778	0,9	100,53	10 654 391
	AVI DBSP	197 495	1 October 2023	1 October 2026	75,20	14 851 624		100,53	19 854 172
	AVI DBSP	181 641	1 October 2024	1 October 2027	108,00	19 617 228		100,53	18 260 370
	AVI DBSP	106 195	1 October 2025	1 October 2028	100,55	10 677 907		100,53	10 675 783
						244 012 482			137 259 812
JC O'Meara	AVI RESIS	144 150	1 October 2023	1 October 2026	75,20	10 840 080		100,53	3 651 320
	AVI RESIS	52 779	1 October 2024	1 October 2027	108,00	5 700 132		100,53	–
	AVI RESIS	148 235	1 October 2025	1 October 2028	100,55	14 905 029		100,53	–
	AVI OPP	37 561	1 October 2023	1 October 2026	74,00	2 779 514	2,4	100,53	9 062 418
	AVI OPP	33 130	1 October 2024	1 October 2027	104,87	3 474 343	0,9	100,53	2 997 503
	AVI OPP	39 555	1 October 2025	1 October 2028	96,62	3 821 804	0,9	100,53	3 578 818
	AVI DBSP	47 542	1 October 2023	1 October 2026	75,20	3 575 158		100,53	4 779 397
	AVI DBSP	50 668	1 October 2024	1 October 2027	108,00	5 472 144		100,53	5 093 654
	AVI DBSP	29 932	1 October 2025	1 October 2028	100,55	3 009 663		100,53	3 009 064
						53 577 867			32 172 173
M Koursaris	AVI RESIS	78 626	1 April 2024	1 April 2027	91,54	7 197 424		100,53	706 848
	AVI RESIS	189 916	1 April 2025	1 April 2028	89,87	17 067 751		100,53	2 024 505
	AVI RESIS	179 408	1 April 2026	1 April 2029	103,22	18 518 494		100,53	–
	AVI OPP	53 764	1 October 2023	1 October 2026	74,00	3 978 536	2,4	100,53	12 971 748
	AVI OPP	41 731	1 October 2024	1 October 2027	104,87	4 376 330	0,9	100,53	3 775 696
	AVI OPP	49 144	1 October 2025	1 October 2028	96,62	4 748 293	0,9	100,53	4 446 402
	AVI DBSP	68 050	1 October 2023	1 October 2026	75,20	5 117 360		100,53	6 841 067
	AVI DBSP	63 822	1 October 2024	1 October 2027	108,00	6 892 776		100,53	6 416 026
	AVI DBSP	49 585	1 October 2025	1 October 2028	100,55	4 985 772		100,53	4 984 780
						72 882 736			42 167 070

REMUNERATION REPORT continued

Key executive management who report to the executive directors:

Name	Scheme	Number of options granted	Date granted	Vesting date	Issue price (R)	Allocation value (R)	Vesting multiple at 30 June 2026 (as applicable)	Price at 30 June 2026 (R)	Value at 30 June 2026 (R)
VA Crystal									
	AVI RESIS	10 777	1 April 2024	1 April 2027	91,54	986 527		100,53	96 885
	AVI RESIS	35 200	1 April 2025	1 April 2028	89,87	3 163 424		100,53	375 232
	AVI RESIS	43 113	1 April 2026	1 April 2029	103,22	4 450 124		100,53	–
	AVI OPP	20 016	1 October 2024	1 October 2027	104,87	2 099 078	0,9	100,53	1 810 988
	AVI OPP	23 029	1 October 2025	1 October 2028	96,62	2 225 062	0,9	100,53	2 083 595
	AVI DBSP	14 195	1 October 2023	1 October 2026	75,20	1 067 464		100,53	1 427 023
	AVI DBSP	13 119	1 October 2024	1 October 2027	108,00	1 416 852		100,53	1 318 853
	AVI DBSP	7 344	1 October 2025	1 October 2028	100,55	738 439		100,53	738 292
16 146 970									7 850 868
RG Coppin									
	AVI RESIS	32 024	1 April 2024	1 April 2027	91,54	2 931 477		100,53	287 896
	AVI RESIS	108 048	1 April 2025	1 April 2028	89,87	9 710 274		100,53	1 151 792
	AVI RESIS	99 718	1 April 2026	1 April 2029	103,22	10 292 892		100,53	–
	AVI OPP	27 136	1 October 2023	1 October 2026	74,00	2 008 064	2,4	100,53	6 547 157
	AVI OPP	28 059	1 October 2024	1 October 2027	104,87	2 942 547	0,9	100,53	2 538 694
	AVI OPP	32 282	1 October 2025	1 October 2028	96,62	3 119 087	0,9	100,53	2 920 779
	AVI DBSP	15 396	1 October 2023	1 October 2026	75,20	1 157 779		100,53	1 547 760
	AVI DBSP	9 655	1 October 2024	1 October 2027	108,00	1 042 740		100,53	970 617
	AVI DBSP	10 120	1 October 2025	1 October 2028	100,55	1 017 566		100,53	1 017 364
34 222 426									16 982 058
SA Moore									
	AVI RESIS	23 235	1 April 2024	1 April 2027	91,54	2 126 932		100,53	208 883
	AVI RESIS	47 511	1 April 2025	1 April 2028	89,87	4 269 814		100,53	506 467
	AVI RESIS	43 848	1 April 2026	1 April 2029	103,22	4 525 991		100,53	–
	AVI FV	26 963	1 October 2023	1 October 2026	74,00	1 995 262	2,4	100,53	6 505 417
	AVI FV	20 358	1 October 2024	1 October 2027	104,87	2 134 943	0,9	100,53	1 841 931
	AVI DBSP	8 51	1 October 2023	1 October 2026	75,20	639 275		100,53	854 606
	AVI DBSP	6 986	1 October 2024	1 October 2027	108,00	754 488		100,53	702 303
	AVI DBSP	4 759	1 October 2025	1 October 2028	100,55	478 517		100,53	478 422
16 925 222									11 098 028
M van Rensburg									
	AVI RESIS	4 803	1 April 2024	1 April 2027	91,54	439 667		100,53	43 179
	AVI RESIS	5 235	1 April 2025	1 April 2028	89,87	470 469		100,53	55 805
	AVI RESIS	30 769	1 April 2026	1 April 2029	103,22	3 175 976		100,53	–
	AVI OPP	2 882	1 April 2024	1 April 2027	91,54	263 818		100,53	289 727
	AVI OPP	3 141	1 April 2025	1 April 2028	89,87	282 282		100,53	315 765
	AVI DBSP	2 266	1 October 2023	1 October 2026	75,20	170 403		100,53	227 801
	AVI DBSP	1 721	1 October 2024	1 October 2027	108,00	185 868		100,53	173 012
	AVI DBSP	1 310	1 October 2025	1 October 2028	100,55	131 721		100,53	131 694
5 120 204									1 236 984
R van der Laan									
	AVI RESIS	20 607	1 April 2024	1 April 2027	91,54	1 886 365		100,53	185 257
	AVI RESIS	41 953	1 April 2025	1 April 2028	89,87	3 770 316		100,53	447 219
	AVI RESIS	38 536	1 April 2026	1 April 2029	103,22	3 977 686		100,53	–
	AVI OPP	23 864	1 October 2023	1 October 2026	74,00	1 765 936	2,4	100,53	5 757 715
	AVI OPP	17 976	1 October 2024	1 October 2027	104,87	1 885 143	0,9	100,53	1 626 415
	AVI DBSP	7 313	1 October 2023	1 October 2026	75,20	549 938		100,53	735 176
	AVI DBSP	5 697	1 October 2024	1 October 2027	108,00	615 276		100,53	572 719
	AVI DBSP	4 361	1 October 2025	1 October 2028	100,55	438 499		100,53	438 411
14 889 158									9 762 912

Remcom is satisfied that executive remuneration for the year under review complied with the Company's remuneration policy and that there were no deviations. No events were identified that triggered the application of malus and clawback provisions on short or long-term incentives.

Key management emoluments

Key management, as defined in International Accounting Standard 24 – *Related Party Disclosures* are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The directors of the Company, directors of its subsidiaries and business unit management with executive responsibility have been identified as the key management personnel of the Group.

The following disclosure includes the total emoluments paid to key management personnel across the AVI Group:

	2026 R'000	2025 R'000
Salary and other benefits and allowances	123 477	123 847
Bonuses and performance-related payments	48 212	88 097
Pension fund contributions	10 142	9 864
Gains on exercise of share instruments	233 611	122 982
Sub-total	415 443	344 790
Termination benefits*	8 688	6 276
Gains on early exercise of share instruments owing to termination*	15 753	29 462
Total	439 883	380 528

* Arising from resignations and agreed terminations other than retrenchments.

REMUNERATION REPORT continued

Allocations and vesting on long-term incentive schemes

Details of the allocations made to all participants on the various long-term share incentive schemes during the year under review, are set out in the following table:

Scheme name	Allocation date	Vesting date	Allocation price (R)	Numbers of options allocated
RESIS	1 October 2025	1 October 2028	100,55	308 952
	1 April 2026	1 April 2029	103,22	775 146
AVI OPP	1 October 2025	1 October 2028	96,62	378 530
AVI DBSP	1 October 2025	1 October 2028	100,55	310 384
Snackworks Phantom	1 October 2025	1 October 2028	4 757,90	2 636
	1 April 2026	1 April 2029	5 093,16	652
Entyce Beverages Phantom	1 October 2025	1 October 2028	5 899,27	1 816
	1 April 2026	1 April 2029	6 314,96	377
Indigo Brands Phantom	1 October 2025	1 October 2028	1 774,35	3 980
	1 April 2026	1 April 2029	1 899,38	1 399
I&J Phantom	1 April 2026	1 April 2029	8,76	916 669
Spitz Phantom	1 October 2025	1 October 2028	244,53	15 816
	1 April 2026	1 April 2029	261,76	38 002
Ciro Phantom	1 April 2026	1 April 2029	344,45	3 197
AVI FV*	1 October 2025	1 October 2028	100,55	54 931
	1 April 2026	1 April 2029	103,22	12 434
Snackworks FV*	1 October 2025	1 October 2028	4 757,90	599
	1 April 2026	1 April 2029	5 093,16	391
Entyce Beverages FV *	1 October 2025	1 October 2028	5 899,27	380
	1 April 2026	1 April 2029	6 314,96	225
Indigo Brands FV*	1 October 2025	1 October 2028	1 774,35	159
	1 April 2026	1 April 2029	1 899,38	840
Spitz FV*	1 October 2025	1 October 2028	244,53	349
	1 April 2026	1 April 2029	261,76	6 055
I&J FV*	1 April 2026	1 April 2029	8,76	550 001
Ciro FV*	1 April 2026	1 April 2029	344,45	1 917

* Awards were made to participants in bands E Lower and below. No Full Value Cash-Settled Share Scheme awards were made to employees in the E Mid, E Upper, or F bands. Awards were made *in substitution for and not in addition* to awards made in terms of the AVI Limited Revised Executive Share Incentive Scheme or the respective Business Unit Phantom Share Schemes. Awards of full value notional shares made in a ratio of 1:5 full value notional shares to AVI Limited Revised Executive Share Incentive Scheme shares or the respective Business Unit Phantom Share Scheme shares.

Key:

AVI RESIS – Revised AVI Limited Executive Share Incentive Scheme

AVI OPP – AVI Limited Out-Performance Scheme

AVI DBSP – AVI Limited Deferred Bonus Share Plan

Phantom – Various Business Unit Growth Phantom Share Schemes

AVI FV – AVI Full Value Cash-Settled Phantom Share Scheme

FV – Various Business Unit Full Value Cash-Settled Phantom Share Schemes

Details of the tranches that vested during the year and the value achieved per share for the various long-term share schemes, following achievement of the pre-set performance conditions and, at an individual level, the employment condition, are set out in the following table:

Scheme name	Allocation date	Vesting date	Allocation price (R)	Vesting price (R)	Value achieved per share over life of tranche (R)
RESIS*	1 October 2022	1 October 2025	73,43	100,47	27,04
	1 April 2023	1 April 2026	66,48	103,17	36,69
AVI OPP** (Full value Scheme)	1 October 2022	1 October 2025	72,99	98,92	25,93
AVI DBSP (Full Value Scheme)	1 October 2022	1 October 2025	73,43	98,92	25,49
	1 June 2023	1 June 2026	63,58	94,30	30,72
Snackworks Phantom	1 October 2022	1 October 2025	3 288,97	4 752,94	1 463,97
	1 April 2023	1 April 2026	3 070,98	5 093,16	2 022,18
Entyce Beverages Phantom	1 October 2022	1 October 2025	3 251,21	5 904,23	2 653,02
	1 April 2023	1 April 2026	3 035,73	6 320,27	3 284,54
Indigo Brands Phantom	1 October 2022	1 October 2025	2 222,45	2 244,91	22,46
	1 April 2023	1 April 2026	2 075,15	2 403,10	327,95
I&J Phantom	1 April 2023	1 April 2026	10,03	8,76	–
Spitz Phantom	1 October 2022	1 October 2025	264,24	244,53	–
	1 April 2023	1 April 2026	246,73	261,76	15,03
Ciro Phantom	1 April 2023	1 April 2026	212,52	510,16	297,64

* The vesting price represents the average price for all options exercised on vesting.

** The OPP tranche which vested in October 2025 achieved a vesting multiple of 2,4x (Prior year was 1,8x) based on the achievement of a TSR performance threshold in the 80th percentile.

Key:

RESIS – Revised AVI Limited Executive Share Incentive Scheme

AVI OPP – AVI Limited Out-Performance Scheme

AVI DBSP – AVI Limited Deferred Bonus Share Plan

Phantom – Various Business Unit Growth Phantom Share Schemes

Non-executive directors' emoluments

At the AGM held on 11 November 2025 shareholders approved the fees payable to non-executive directors for their services to the Board and other Board committees for the 2026 financial year as follows:

Chairman of the Board	R1 758 921
Resident non-executive directors	R551 221
Chairman of the Audit and Risk Committee	R380 647
Members of the Audit and Risk Committee	R165 994
Chairman of the Remuneration, Nomination, and Appointments Committee	R351 921
Members of the Remuneration, Nomination, and Appointments Committee	R161 597
Chairman of the Social and Ethics Committee	R177 614
Members of the Social and Ethics Committee	R119 042
Foreign Chairman of the Board	£113 420
Foreign member of the Audit and Risk Committee	£11 909
Foreign member of the Remuneration, Nomination, and Appointments Committee	£7 939
Foreign member of the Social and Ethics Committee	£7 372

REMUNERATION REPORT continued

Pay gaps and pay ratios

Sections 30B(3) of the Companies Act requires the Company to include in the implementation report (a) the total remuneration in respect of the employee with the highest total remuneration; (b) the total remuneration in respect of the employee with the lowest total remuneration in the company; and (c) the average total remuneration of all employees, median remuneration of all employees, and the remuneration gap reflecting the ratio between the total remuneration of the top five per cent highest paid employees and the total remuneration of the bottom five per cent lowest paid employees of the company.

These pay gap/pay ratio provisions were introduced into the Companies Amendment Bill at a fairly late stage after they were proposed by the Labour representatives at NEDLAC (the National Economic Development and Labour Council). The Bill did not state the purpose or objectives of these provisions but Labour's argument for inclusion was that the proposal was in line with the King IV report. Labour stated that *"the remuneration of executive management should be fair and responsible in the context of overall employee remuneration. It should be disclosed how this has been addressed. This acknowledges the need to address the gap between the remuneration of executives and those at the lower end of the pay scale"*. The King IV report requires the Board to approve policy that articulates and gives effect to its direction on fair, responsible and transparent remuneration, as well as ensure that the remuneration policy addresses organisation-wide remuneration and includes provision for, inter alia, arrangements towards ensuring that the remuneration of executive management is fair and responsible in the context of overall employee remuneration in the organisation.

The Guidance for Remuneration Committees Pay Gap Analysis and Reporting Recommendations issued by the Institute of Directors South Africa in 2022 ("IODSA Recommendations"), recognises that executive remuneration is largely determined by the Company's operational or share price performance, whereas lower level employees remuneration may be enhanced by unquantified elements such as provision for meals on site, transportation, clinic facilities, bursaries, subsidised schooling, and other variable or contingency elements of pay. It also recognises that this "single figure remuneration" reporting is not considered appropriate in the context of pay gap analysis because of the high degree of variability caused through the valuation and disclosure of long-term incentives.

The IODSA Recommendations also note that *"pay gaps vary significantly by country or region, or for other reasons. A Bloomberg ranking comparing CEO salaries to average per capita income noted that five countries, including several so-called "Anglo-American economies" have ratios above 200:1. This contrasts with the Nordic countries and several Asian jurisdictions that have far*

lower ratios. There are many standards around the world that are used to calculate the pay gap" and in South Africa "the origins of the pay gap are complicated and influenced by more than just one cause. Systemic poverty, unemployment, discrimination and unavailability of quality education to all, are considerable contributors to income, wealth and pay inequality, which result in structural, social and economic problems that demand multi-faceted solutions". It would be fair to say that since the IODSA report was published in 2022 these causes have not changed and closing the pay gap cannot be achieved in isolation from the causes thereof.

The measurement of a pay gap by total remuneration between the highest paid and lowest paid employees constitutes a macro pay gap analysis. The measurement of actual total remuneration for a one-year period can result in an exceptionally high pay gap when executives have exercised long-term incentives held over an extended period, or performance-related short term incentives result in financial multipliers greater than 1x.

Internal pay gap analysis as required by the Companies Act can result in an overly simplistic approach and analysis. It largely ignores factors such as an individual's length of service, qualifications, skills, and experience, or the composition of a company's workforce, the job grades of the highest and lowest paid employees, the size and complexity of a company, the organisational structure, or the diverse nature of the industries in which a group of companies may operate. However, an understanding of the pay gaps within the Company is useful to assist in understanding whether any unfair or discriminatory pay practices exist and, if so, what remedial steps need to be taken to correct these.

In the context of pay gap reporting, comparing the income of employees vertically and horizontally across all pay grades are often considered to be more meaningful measures. Pay gap analysis at a micro level is important to assess internal fairness and pay distribution practices but can only be done by comparing appropriate data groups. Calculating these pay ratios can help the Company to determine whether pay distribution, i.e., equal pay for work of equal value, is being fairly applied. As reported above, the Company benchmarks remuneration to the market median and rewards superior performance, whilst actively managing under-performance. Annually during the salary increase cycle the businesses and AVI executive management review all employees' salaries, performance ratings, and compa-ratios to ensure that they remain aligned to the Company's benchmark philosophy and to identify out-and under-performers. Salary increases are appropriately awarded and, where necessary, further adjustments are made to ensure the reward and retention of out-performers.

As required by Section 30B of the Companies Act, the following tables reflect:

- Total remuneration in respect of the employee with the highest total annual remuneration (Section 30B(3)(c)(ii));
- Total remuneration in respect of the employee with the lowest total annual remuneration (Section 30B(3)(c)(iii));
- Average total remuneration of all employees (annual) (Section 30B(3)(c)(iv));
- Median total remuneration of all employees (annual) (Section 30B(3)(c)(iv));
- Remuneration gap between the top 5% highest paid employees and the bottom 5% lowest paid employees
- Total remuneration of the bottom 5% lowest paid employees (annual) (Section 30B(3)(c)(iv)).

Highest Annual Remuneration	
Actual total remuneration F26:	R113 474 000
Fixed components of total remuneration:	
• Salary	R17 322 000
• Pension fund contributions	R1 357 000
• Other benefits	R2 833 000
Variable components of total remuneration	
• Gains on exercise of share options*	R76 215 000
• Bonus and performance related payment**	R15 746 000
Position held:	AVI Group Chief Executive Officer
Job grade:	F Upper

* Details of the long-term incentives exercised and paid to the CEO in F26 are found in the table page 123 of this report.

** Details of the short-term incentives paid to the CEO in 2026 (for F25) are found on page 123 of this report.

Lowest Annual Remuneration	
Total remuneration F26:	R60 474
Guaranteed remuneration	R51 448
Short term incentive – 13th cheque	R2 967
Company contributions to benefit funds	R4 927
Other payments/allowances	R1 133
Position held:	Merchandiser
Job grade:	A3

Average total remuneration of all employees (annual)	R436 875
Median total remuneration of all employees (annual)	R246 320
Pay ratio between the top 5% highest and bottom 5% lowest paid employees (annual remuneration)	35:1
Total remuneration of the bottom 5% lowest paid employees (annual)	R31 082 438

As mentioned earlier in this report, the Company has a strict non-discrimination policy relating to, inter alia, terms and conditions of employment, remuneration, and reward. Any unfair discrimination, including pay gaps that are based on unfair discrimination (i.e. pay gaps that are based on factors other than qualification, skill, competence, performance, etc.), are inappropriate and prohibited.

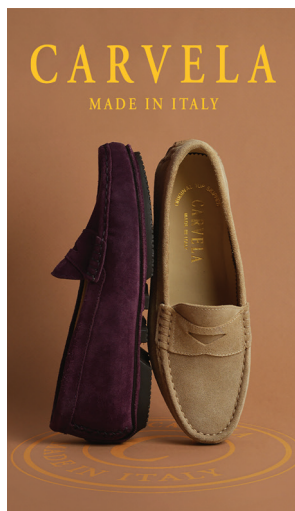


CONTENTS

The financial statements of AVI Limited have been audited in compliance with section 30 of the Companies Act No. 71 of 2008, as amended ("the Companies Act"), and have been prepared under the supervision of Justin O'Meara, CA(SA), the AVI Group Chief Financial Officer.

These consolidated annual financial statements for the year ended 30 June 2026 were published on Monday, 7 September 2026.

The annual financial statements of the Company are presented separately from the consolidated annual financial statements and were approved by the directors on 4 September 2026, the same date as these consolidated annual financial statements. The separate annual financial statements are available on the Company's website www.avi.co.za and at the Company's registered office.



CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

136	Directors' responsibility statement
136	CEO and financial director responsibility statement
137	Approval of annual financial statements
137	Certificate of the company secretary
138	Directors' report
142	Directors' remuneration report
145	Audit Committee report
146	Independent auditor's report
152	Segment reporting
156	Accounting policies
170	Balance sheet
171	Statement of comprehensive income
172	Statement of cash flows
173	Statement of changes in equity
174	Notes to the financial statements
216	Annexure A – Interests in other entities
217	Annexure B – Analysis of ordinary shareholders

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for the preparation and fair presentation of the consolidated annual financial statements of AVI Limited and its subsidiaries ("the Group"), comprising the balance sheet as at 30 June 2026 and the statements of comprehensive income, cash flows and changes in equity for the year then ended, the accounting policies and the notes to the financial statements, which include explanatory notes in accordance with IFRS[®] Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act No. 71 of 2008, as amended ("the Companies Act"), and the directors' report.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the Group's ability to continue as a going concern and have no reason to believe that it will not be a going concern in the year ahead.

The auditors are responsible for reporting on whether the consolidated annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

CEO AND FINANCIAL DIRECTOR RESPONSIBILITY STATEMENT

Each of the directors, whose names are stated below, hereby confirm that –

- (a) the annual financial statements set out on pages 138 to 218, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS Accounting Standards;
- (b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- (c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- (d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- (e) where we are not satisfied, we have disclosed to the audit committee and the auditors deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- (f) we are not aware of any fraud involving directors.



SL CRUTCHLEY

Chief Executive Officer



JC O'MEARA

Chief Financial Officer

Designated Financial Director

4 September 2026

Extract from JSE guidance letter on directors' responsibility on financial controls dated 17 July 2020 to note for information purposes:

Materiality

In terms of the JSE Listings Requirements (as amended with effect from 16 February 2026) ("the JSE Listing Requirements") financial information must be prepared in accordance with IFRS Accounting Standards. The application of materiality is an important concept dealt with by IFRS Accounting Standards. The reference to materiality in paragraph (a) of the CEO and FD sign off must be interpreted in the context of IFRS Accounting Standards.

The second obligation under the CEO and FD sign off rule (as detailed in (b)) must be read in the context of paragraph (a). The term 'no' does not mean a one hundred percent factual correctness but rather that after due, careful and proper consideration the directors agree that no facts have been omitted or untrue statements made that would make the Annual Financial Statements ("AFS") materially false or materially misleading in terms of IFRS Accounting Standards.

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The consolidated annual financial statements of AVI Limited, which appear on pages 138 to 145 and 152 to 218, were authorised for issue by the Board of directors on 4 September 2026 and are signed on their behalf.



MJ WATTERS

Non-executive Chairman
Authorised director



SL CRUTCHLEY

Chief Executive Officer
Authorised director

CERTIFICATE OF THE COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act No. 71 of 2008, as amended, I certify that, to the best of my knowledge and belief, the Company has lodged with the Companies and Intellectual Property Commission, for the financial year ended 30 June 2026, all such returns required of a public company in terms of the Companies Act No. 71 of 2008, as amended, and that all such returns are true, correct and up to date.



VA CRYSTAL

Company Secretary
Illovo, Johannesburg
4 September 2026

DIRECTORS' REPORT

Business of the Group

AVI Limited ("the Company"), which is registered and incorporated in the Republic of South Africa with a primary listing on the JSE Limited ("JSE") and a secondary listing on A2X, is a branded consumer products company. The Company registration number is 1944/017201/06. The Group comprises trading subsidiaries that manufacture, process, market and distribute branded consumer products in the food, beverage, footwear, apparel and cosmetics sectors.

Financial

The results of operations for the year are set out in the statement of comprehensive income on page 171.

Revenue and operating profit before capital items were as follows:

	2026 R'm	2025 R'm
Revenue	16 240,3	16 021,5
Operating profit before capital items	3 719,9	3 561,9

Further details are provided in the segmental report, which follows the independent auditor's report.

A five-year summary of the Group's consolidated balance sheet, income statement and cash flow statement is presented on pages 31 to 33.

The Group remains cash generative, with sufficient borrowing facilities to manage disruptions to operational cash flows and to continue to support its business units.

Inventory and debtor provisions have been reviewed without any material movements in income statement adjustments compared to the prior period.

Going concern

The Group earned a net profit for the year ended 30 June 2026 of R2 562,6 million (2025: R2 429,7 million) and as of that date, its total assets exceeded its total liabilities by R5 861,3 million (2025: R5 346,9 million).

The trading environment remains challenging and uncertain. South African consumers continue to experience pressure from constrained disposable income, elevated unemployment and subdued economic growth. In addition, ongoing deterioration in municipal infrastructure in key operating regions continues to increase the cost and complexity of maintaining efficient operations. Global geopolitical uncertainty has contributed to increased volatility in fuel prices and broader inflationary pressures, resulting in additional uncertainty across supply chains and operating costs.

Despite these conditions, the Group focused on protecting volumes, preserving margins and optimising returns through disciplined pricing, cost management and operational efficiency initiatives. Management continues to prioritise productivity improvements and cost optimisation while maintaining competitive market positions across our portfolios.

As part of preparing the financial statements, the Group performed a detailed going concern assessment. The assessment considered the Group's financial position at 30 June 2026, the approved budget for the 2027 financial year, expected cash generation and working capital requirements, available liquidity and the Group's ability to meet its obligations as they fall due. The budget was prepared against a backdrop of continued macroeconomic uncertainty, constrained consumer spending, volatile input costs and heightened competitive intensity. Notwithstanding these challenges, the base case budget demonstrates continued profitability and strong cash generation and the ability of the Group to meet its obligations as they fall due.

A downside scenario was also considered, reflecting lower-than-anticipated consumer demand, higher fuel and operating costs, more aggressive competitor pricing and promotional activity, continued volatility in foreign exchange rates and inflation, and operational risks associated with deteriorating public infrastructure. The impact of lower I&J catch rates was also considered. Even under the downside scenario, the Group is expected to remain profitable and cash generative, with the overall financial position remaining sound and sufficient liquidity available to meet obligations as they fall due.

Going concern continued

Based on the above assessment, no material uncertainty therefore arises that would cast significant doubt on the Group's ability to continue as a going concern for at least 12 months from the date of approval of the annual consolidated financial statements. Accordingly, the directors consider it appropriate to adopt the going concern basis in preparing the annual consolidated financial statements.

Share capital

Details of the Company's authorised and issued share capital are given in Note 11 to the financial statements, on page 182.

Issues and redemptions during the year

A summary of the movement in the number of ordinary shares in issue during the year is given in Note 11 to the financial statements, on page 183.

Corporate activity

There have been no significant changes to investments during the year.

General authority for the Company to acquire its own shares

The directors consider that it will be advantageous for the Company to have a general authority to acquire its own shares. Such authority will be utilised if the directors consider that it is in the best interests of the Company and shareholders to effect such acquisitions having regard to prevailing circumstances and the cash resources of the Company at the appropriate time. Accordingly, shareholders will be asked to approve such general authority at the Annual General Meeting on 10 November 2026.

Dividends

Dividends, paid and proposed, are disclosed in Note 30 to the financial statements on page 193.

Directorate

There were no changes to the Board for the year under review.

In terms of the Company's Memorandum of Incorporation, Mr MJ Watters and Mrs A Muller retire at the forthcoming Annual General Meeting. All of the retiring directors, being eligible, offer themselves for re-election.

In terms of the Companies Act, the appointments of Mr SG Robinson (Chairman), Ms MR Mouyeme and Mrs A Muller to the Audit and Risk Committee need to be approved at the forthcoming Annual General Meeting.

In terms of the Companies Act, the appointments of Mrs A Muller (Chairman), Mr MJ Watters and Ms MR Mouyeme to the Social and Ethics Committee need to be approved at the forthcoming Annual General Meeting.

Directors' service contracts

Standard terms and conditions of employment apply to executive directors, which, inter alia, provide for notice of termination of three months. Non-executive directors conclude service contracts with the Company on appointment. Their term of office is governed by the Memorandum of Incorporation which provides that one-third of the aggregate number of directors will retire by rotation at each Annual General Meeting, but may, if eligible, offer themselves for re-election.

Share schemes

Particulars of the Group's various share incentive schemes are set out in Note 32, on page 195 of the financial statements.

DIRECTORS' REPORT continued

Directors' interests

The interests of the directors in the issued listed securities of the Company, being ordinary shares of 5 cents each, as at 30 June 2026 and 30 June 2025, are as follows:

	Direct number	Beneficial indirect number	% of total
AT 30 JUNE 2026			
SL Crutchley	1 462 230	–	0,43
JC O'Meara	21 319	–	0,01
M Koursaris	300 893	–	0,09
MJ Watters	500	–	0,00
Total	1 784 942	–	0,53
AT 30 JUNE 2025			
SL Crutchley	900 000	–	0,26
JC O'Meara	5 932	–	0,00
M Koursaris	145 836	–	0,04
MJ Watters	500	–	0,00
Total	1 052 268	–	0,30

There have been no change to the directors' interests reflected above since the reporting date.

Material shareholders

The Company does not have a holding company.

Ordinary shares

The beneficial holders of 3% or more of the issued ordinary shares of the Company at 30 June 2026, according to the information available to the directors, were:

	Number of ordinary shares	%
Government Employees Pension Fund	64 613 257	18,9
Vanguard Investment Management	13 632 263	4,0

Special resolutions passed by the Company

The following special resolutions have been passed by the Company since the previous directors' report dated 5 September 2025 to the date of this report:

- To approve the fees payable to the current non-executive directors, excluding the Chairman of the Board and the foreign non-executive director.
- To approve the fees payable to the Chairman of the Board.
- To approve the fees payable to the members of the Remuneration, Nomination and Appointments Committee, excluding the Chairman of the committee.
- To approve the fees payable to the members of the Audit and Risk Committee, excluding the Chairman of the committee.
- To approve the fees payable to the non-executive members of the Social and Ethics Committee, excluding the Chairman of the committee.
- To approve the fees payable to the Chairman of the Remuneration, Nomination and Appointments Committee.
- To approve the fees payable to the Chairman of the Audit and Risk Committee.
- To approve the fees payable to the Chairman of the Social and Ethics Committee.
- To approve the fees payable to the Chairman of the Board, should the Chairman be a foreign non-executive director.
- To approve the fees payable to the members of the Audit and Risk Committee, should the member be a foreign non-executive director.
- To approve the fees payable to the members of the Remuneration, Nomination and Appointments Committee, should the member be a foreign non-executive director.
- To approve the fees payable to the members of the Social and Ethics Committee, should the member be a foreign non-executive director.
- To authorise, by way of a general approval, the Company or any of its subsidiaries to acquire ordinary shares issued by the Company in terms of the Companies Act and Listings Requirements of the JSE.

Post-reporting date events

No material events that meet the requirements of IAS 10 have occurred since the reporting date.

DIRECTORS' REMUNERATION REPORT

Share incentive scheme interests

The Revised AVI Limited Executive Share Incentive Scheme

Name	Date of award	Award price per instrument R	Instruments outstanding at 30 June 2025 number	Awarded number	Exercised number	Relinquished ¹ number	Instruments outstanding at 30 June 2026 number
SL Crutchley	1 April 2021	73,85	392 674	–	(392 674)	–	–
	1 April 2022	69,23	450 295	–	–	–	450 295
	1 April 2023	66,48	498 092	–	–	–	498 092
	1 April 2024	91,54	308 219	–	–	(117 758)	190 461
	1 April 2025	89,87	457 497	–	–	–	457 497
	1 April 2026	103,22	–	432 185	–	–	432 185
JC O'Meara	1 October 2022	73,43	123 020	–	(123 020)	–	–
	1 October 2023	75,20	144 150	–	–	–	144 150
	1 October 2024	108,00	92 334	–	–	(39 555)	52 779
	1 October 2025	100,55	–	148 235	–	–	148 235
M Koursaris	1 April 2023	66,48	214 125	–	(214 125)	–	–
	1 April 2024	91,54	127 770	–	–	(49 144)	78 626
	1 April 2025	89,87	189 916	–	–	–	189 916
	1 April 2026	103,22	–	179 408	–	–	179 408
			2 998 092	759 828	(729 819)	(206 457)	2 821 644

¹ The number of relinquished instruments represents instruments sacrificed in favour of AVI Limited Out-Performance Scheme options in terms of the rules of the AVI Limited Out-Performance Scheme.

All options vest three years after grant date and lapse on the fifth anniversary of the grant date.

The AVI Limited Out-Performance Scheme

Name	Date of award	Award price per instrument R	Instruments outstanding at 30 June 2025 number	Awarded number	Exercised number	Forfeited number	Instruments outstanding at 30 June 2026 number
SL Crutchley	1 October 2022	72,99	118 861	–	(118 861)	–	–
	1 October 2023	74,00	128 962	–	–	–	128 962
	1 October 2024	104,87	100 100	–	–	–	100 100
	1 October 2025	96,62	–	117 758	–	–	117 758
JC O'Meara	1 October 2022	72,99	31 734	–	(31 734)	–	–
	1 October 2023	74,00	37 561	–	–	–	37 561
	1 October 2024	104,87	33 130	–	–	–	33 130
	1 October 2025	96,62	–	39 555	–	–	39 555
M Koursaris	1 October 2022	72,99	39 308	–	(39 308)	–	–
	1 October 2023	74,00	53 764	–	–	–	53 764
	1 October 2024	104,87	41 731	–	–	–	41 731
	1 October 2025	96,62	–	49 144	–	–	49 144
			585 151	206 457	(189 903)	–	601 705

All instruments vest three years after award date. Instruments are converted to shares if the performance requirements are met on the measurement date.

Share incentive scheme interests continued

The AVI Limited Deferred Bonus Share Plan

Name	Date of award	Award price per instrument R	Instruments outstanding at 30 June 2025 number	Awarded number	Exercised number	Forfeited number	Instruments outstanding at 30 June 2026 number
SL Crutchley	1 October 2022	73,43	219 682	–	(219 682)	–	–
	1 June 2023	63,58	159 194	–	(159 194)	–	–
	1 October 2023	75,20	197 495	–	–	–	197 495
	1 October 2024	108,00	181 641	–	–	–	181 641
	1 October 2025	100,55	–	106 195	–	–	106 195
JC O'Meara	1 October 2022	73,43	28 433	–	(28 433)	–	–
	1 June 2023	63,58	51 003	–	(51 003)	–	–
	1 October 2023	75,20	47 542	–	–	–	47 542
	1 October 2024	108,00	50 668	–	–	–	50 668
	1 October 2025	100,55	–	29 932	–	–	29 932
M Koursaris	1 October 2022	73,43	60 718	–	(60 718)	–	–
	1 June 2023	63,58	80 371	–	(80 371)	–	–
	1 October 2023	75,20	68 050	–	–	–	68 050
	1 October 2024	108,00	63 822	–	–	–	63 822
	1 October 2025	100,55	–	49 585	–	–	49 585
			1 208 619	185 712	(599 401)	–	794 930

All instruments vest three years after award date. Upon vesting, the shares become unrestricted in the hands of participants.

DIRECTORS' REMUNERATION REPORT continued

Emoluments

	2026						2025 R'000
	Salary R'000	Bonus and performance- related payments R'000	Pension fund contributions R'000	Gains on exercise of share incentive instruments* R'000	Other benefits and allowances R'000	Total R'000	
EXECUTIVE DIRECTORS							
SL Crutchley	17 322	15 746	1 357	76 215	2 833	113 473	90 504
JC O'Meara	6 835	4 300	631	18 903	178	30 847	17 004
M Koursaris	8 395	7 221	1 045	30 844	1 518	49 023	41 167
	32 552	27 267	3 033	125 962	4 529	193 343	148 675

* Gains on exercise of share incentive instruments represent the actual gain received by the director on exercising vested share incentive instruments.

	2026 R'000	2025 R'000
NON-EXECUTIVE DIRECTORS' AND COMMITTEE FEES		
MJ Watters (Chairman) ^{1,2}	3 373	3 298
SG Robinson	932	879
A Muller ²	1 029	971
MR Mouyeme ²	962	841
VA Davies	903	852
Total non-executive directors' and committee fees	7 199	6 841
TOTAL DIRECTORS' EMOLUMENTS	200 542	155 516

Details relating to the Group's remuneration practices are set out in the Remuneration Report on pages 107 to 133.

The IFRS 2 expense recognised in profit or loss in respect of share incentive instruments granted to directors is as follows:

	2026 R'000	2025 R'000
SL Crutchley	27 105	29 194
JC O'Meara	7 654	7 093
M Koursaris	10 697	10 642
	45 456	46 929

¹ Paid in UK Pounds.

² These directors are registered VAT vendors; accordingly, the fees disclosed include VAT.

AUDIT COMMITTEE REPORT

The Audit Committee is pleased to present its report for the financial year ended 30 June 2026 in terms of section 94(7)(f) of the Companies Act No. 71 of 2008, as amended ("the Companies Act").

The Audit Committee has adopted formal terms of reference, delegated to it by the Board of directors, as its charter. The charter is in line with the Companies Act No. 71 of 2008, as amended, the King IV Report on Corporate Governance for South Africa 2016 ("King IV") and the JSE Listings Requirements (as amended with effect from 16 February 2026) ("the JSE Listing Requirements"). The Audit Committee has discharged the functions delegated to it in terms of its charter. The Audit Committee's process is supported by the operating subsidiary companies which have internal review committees that monitor risk management and compliance activities. There is a formal reporting line from the various internal review committees into the Audit Committee via the Group's Chief Financial Officer. The Audit Committee noted the implementation of the King V Code of Corporate Governance for South Africa 2025 ("King V"), the provisions of which are applicable to the Company from the start of the 2027 financial year and thus from 1 July 2026. The Audit Committee charter will be reviewed and aligned to King V for the 2027 financial year.

During the year under review the Audit Committee performed the following statutory duties:

1. Reviewed and recommended for adoption by the Board such financial information as is publicly disclosed which for the year included:
 - The interim results for the six months ended 31 December 2025; and
 - The annual financial statements for the year ended 30 June 2026.
2. Considered and satisfied itself that the external auditors Ernst & Young Inc. are independent.
3. Approved the external auditor's budgeted fees and terms of engagement for the 2026 financial year.
4. Determined the non-audit related services which the external auditors were permitted to provide to AVI and reviewed the policy for the use of the external auditors for non-audit related services. All non-audit related service agreements between the AVI Group and the external auditors were pre-approved.
5. Satisfied itself that the necessary documentation and confirmations in terms of the JSE Listings Requirements were obtained from the external auditors.
6. Resolved that KPMG Inc. would continue to perform the internal audit function during the financial year.
7. Reviewed the Audit Committee charter in line with King IV recommendations.
8. Reviewed the internal audit charter in line with King IV recommendations.
9. Confirmed the internal audit plan for the 2026 financial year.
10. Ensured that appropriate financial reporting procedures exist and that they are working.
11. Confirmed that adequate whistle-blowing facilities were in place throughout the AVI Group and reviewed and considered actions taken with regard to incident reports.
12. Held separate meetings with management, the external and internal auditors to discuss any problems and reservations arising from the year end audit and other matters that they wished to discuss.
13. Noted that it had not received any complaints, either from within or outside the Company, relating either to the accounting practices, the internal audits, the content or auditing of the financial statements, the internal financial controls or any other related matter.
14. Conducted a self-evaluation exercise into its effectiveness.
15. Reviewed the suitability of Ernst & Young Inc., for re-appointment by considering, inter alia, the information stated in paragraph 5.7(h) of the JSE Listings Requirements.
16. Recommended to the Board the re-appointment of Ernst & Young Inc. as the external auditors and appointment of Mr EAL Botha as the registered auditor responsible for the audit for the year ending 30 June 2027, which will be considered at the forthcoming Annual General Meeting.
17. Evaluated and satisfied itself as to the appropriateness of the expertise and experience of the Company's financial director.
18. Satisfied itself as to the expertise, resources and experience of the Company's finance function.
19. Evaluated the underlying assessment performed by the CEO and financial director to support their declaration required in terms of paragraph 5.9 of the JSE Listings Requirements and are satisfied that it supports the declaration made.

For further details regarding the Audit Committee, shareholders are referred to the Corporate Governance Report on pages 97 to 99.

On behalf of the Audit Committee



SG ROBINSON

Audit Committee Chairman

4 September 2026

INDEPENDENT AUDITOR'S REPORT

To the shareholders of AVI Limited

Report on the Audit of the Consolidated Annual Financial Statements

Opinion

We have audited the consolidated annual financial statements of AVI Limited and its subsidiaries ("the Group") set out on pages 142 to 144 and 152 to 215, which comprise the directors' remuneration report, the segment reporting, the balance sheet as at 30 June 2026, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated annual financial statements, including material accounting policy information.

In our opinion, the consolidated annual financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2026, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Statements section of our report. We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors ("IRBA Code") and other independence requirements applicable to performing audits of financial statements of the Group and in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits of the Group and in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 ("EAR Rule") we report:

Final Materiality

The ISAs recognise that:

- misstatements, including omissions, are considered to be material if the misstatements, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements;
- judgements about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and
- judgements about matters that are material to users of the financial statements consider users as a group rather than as specific individual users, whose needs may vary greatly.

The amount we set as materiality represents a quantitative threshold used to evaluate the effect of misstatements to the financial statements as a whole based on our professional judgement. Qualitative factors are also considered in making final determinations regarding what is material to the financial statements.

Final Materiality

We determined final materiality for the Group to be R178,8 million, which is based on 5% of profit before tax. We have identified profit before tax as the most appropriate basis as we typically believe that profit companies are evaluated by users on their ability to generate earnings.

Group Audit Scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each component within the Group. Taken together, this enables us to form an opinion on the consolidated annual financial statements. We take into account the size and risk profile of the components in the Group. In addition, we further consider the organisation of the Group and effectiveness of Group wide controls, changes in the business environment, and other factors such as our experience in prior years and recent internal audit results when assessing the level of work to be performed at each component of the Group. Our process focuses on identifying and assessing the risk of material misstatements of the consolidated annual financial statements as a whole including, with respect to the consolidation process.

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team, or by component auditors under our instruction.

In selecting components, we perform risk assessment activities across the Group and its components to identify risks of material misstatement. We then identify how the nature and size of the account balances at the components contribute to those risks and thus determine which account balances require an audit response. We then consider for each component the degree of risk identified (whether pervasive or not) and the number of accounts requiring audit responses to assign either a full or specific scope (including specified procedures) to each component. We involved component auditors in this risk assessment process.

In our assessment of the residual account balances not covered by the audit procedures, we considered whether these could give rise to a risk of material misstatement of the consolidated annual financial statements. This assessment included performing overall analytical procedures at Group level.

Of the four components selected, we identified:

- Two components ("full scope components") which were selected based on the pervasiveness of risk in those components and for which we therefore performed procedures on what we considered to be the entire financial information of the component.
- Two components ("specific scope components") where our procedures were more focused or limited to specific accounts which we considered had the potential for the greatest impact on the significant accounts in the financial statements given the specific risks identified.

At Group level we also tested the consolidation process as well as share-based payment accounting including recharges, impairment valuation models for the valuation of intangible assets across the Group, post-retirement medical aid liabilities valuation as well as cashflow hedge accounting which were tested centrally by the primary team.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated annual financial statements of the current period. These matters were addressed in the context of our audit of the consolidated annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated annual financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated annual financial statements.

INDEPENDENT AUDITOR'S REPORT continued

Key Audit Matters continued

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

Key Audit Matter	How the matter was addressed in the audit
Impairment assessment of intangible assets and goodwill Management performs an impairment test on the recoverability of the intangibles as well as the goodwill as required by IFRS Accounting Standards as issued by the International Accounting Standards Board which is subjective in nature due to the estimates having to be made of future performance. The Group's goodwill and trademarks' value mainly relates to footwear and apparel and the personal care businesses. As disclosed in Note 3 to the consolidated annual financial statements (Intangible Assets and Goodwill), the Group uses a discounted cash flow model to determine the value in use for each cash-generating unit. Judgement is applied by management in determining the recoverable amount for each cash-generating unit based on the value-in-use. Given the number of stores and locations in which the Group operates, the assessment required significant judgement concerning future trading profits, discount rates and growth rates applied within discounted cashflow models. During the current year, certain macroeconomic factors have continued to have a significant impact on the current economic climate by affecting the spending patterns of consumers which continues to evolve between various products and regions. As a result, this has created uncertainties around the revenue and growth rate assumptions of the footwear and apparel as well as the personal care businesses. These factors have led to continued uncertainty around the timing and amount of future cash flows, when they are already inherently uncertain. Given the above, impairment testing, particularly in the footwear and apparel as well as the personal care businesses required significant auditor attention in the current year and the involvement of our valuation specialists.	Our audit procedures included, amongst others: • We obtained management's impairment assessment for each cash generating unit; • We involved the internal valuation specialists in our team to assist in evaluating management's impairment methodology and key assumptions used in the impairment calculations; • Together with the internal valuation specialists we performed the following: – Assessed management's impairment methodology by comparing it to best practises and the requirements of IAS 36; and – Calculated independent weighted average cost of capitals ("WACCs") to compare to management's WACCs. Our independent WACC recalculation was based on publicly available market data for comparable companies for each of the material cash-generating units ("CGUs"); • For assumptions based on historical results, we compared the cash flow forecasts to past performance (particularly as it relates to historical working capital levels and gross profit margins); • For assumptions based on future trends and where the risk of a weakened economy is present: – We vouched CPI assumptions to current market information, which we obtained externally; – We stress tested the footwear and apparel and personal care businesses' revenue cash flows by determining the impact of delayed economic growth, by pushing the cashflow forecasts out by one year; and – We have considered the actual trading results of the footwear and apparel and personal care businesses post year end in our assessment of the reasonability of the revenue cash flow projections. • We have performed sensitivity analyses around all the key assumptions used in the impairment model. • We did this by increasing and decreasing the following assumptions in the model to determine the impact on the headroom between the value of the recorded assets of the CGU and the value in use as calculated by the impairment calculation model: – The WACC used to discount the cash flows; – Revenue and overheads; – Gross profit margins; and – Working capital requirements. • We assessed the historical reliability of cash flow forecasts prepared by management through a review of actual past performance compared to previous forecasts to understand management's ability to accurately estimate future cash flows; • We assessed historical forecasts obtained and compared these to forecasts obtained in the current year to determine management's ability to forecast accurately taking into consideration circumstances and events which arose during the financial year which were not known or present in prior years; and • We assessed the disclosures relating to goodwill and trademarks in terms of IAS 36.

Key Audit Matters continued

Key Observations:

Based on the procedures performed over Impairment assessment of intangible assets and goodwill, we did not identify any significant matters requiring further consideration in concluding on our procedures.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 228-page document titled "AVI 2026 Integrated Annual Report", which includes the directors' report, the Audit Committee report and the certificate of the company secretary as required by the Companies Act of South Africa, and the Directors responsibility and approval; and in the 36-page document titled "AVI 2026 Company Annual Financial Statements", which include directors' report, the Audit Committee report and the certificate of the company secretary as required by the Companies Act of South Africa which we obtained prior to the date of this report, and the "AVI 2026 Integrated Annual Report", which is expected to be made available to us after that date. The other information does not include the consolidated annual financial statements or the separate annual financial statements and our auditor's report thereon.

Our opinion on the consolidated annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated annual financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated annual financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT continued

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial statements, including the disclosures, and whether the consolidated annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Ernst & Young Inc. has been the auditor of AVI Limited for nine years.

Ernst & Young Inc.

ERNST & YOUNG INC.

DIRECTOR – ERNEST ADRIAAN LODEWYK BOTHA

Registered Auditor

Chartered Accountant (SA)

102 Rivonia Road,
Sandton

4 September 2026

SEGMENT REPORTING

FOOD & BEVERAGE BRANDS						
NATIONAL BRANDS						
	Entyce Beverages		Snackworks		Total	
	2026 R'm	2025 R'm	2026 R'm	2025 R'm	2026 R'm	2025 R'm
REVENUE	5 164,1	5 298,4	5 717,0	5 611,8	10 881,1	10 910,2
Total segment revenue	5 164,1	5 298,4	5 717,0	5 611,8	10 881,1	10 910,2
Intersegment revenue	–	–	–	–	–	–
Revenue from contracts with customers	5 164,1	5 298,4	5 717,0	5 611,8	10 881,1	10 910,2
Cost of sales	(2 828,5)	(2 835,5)	(3 410,7)	(3 377,4)	(6 239,2)	(6 212,9)
Selling and administrative expenses, including other income	(774,7)	(847,0)	(923,3)	(940,0)	(1 698,0)	(1 787,0)
SEGMENT OPERATING PROFIT/(LOSS) BEFORE CAPITAL ITEMS	1 560,9	1 615,9	1 383,0	1 294,4	2 943,9	2 910,3
Share of equity-accounted losses of joint venture	–	–	–	–	–	–
Income from investments					2,9	3,6
Finance costs					(206,5)	(242,5)
Taxation					(758,1)	(736,0)
SEGMENT PROFIT/(LOSS) BEFORE CAPITAL ITEMS					1 982,2	1 935,4
Capital items (after tax)						
PROFIT FOR THE YEAR						
SEGMENT ASSETS					4 964,2	5 005,7
SEGMENT LIABILITIES					3 634,2	3 583,3
Additions to property, plant and equipment					268,5	272,5
Depreciation and amortisation					261,4	245,4
Depreciation on property, plant and equipment					238,2	217,1
Depreciation on right-of-use assets					16,0	20,3
Amortisation					7,2	8,0
Impairment losses					–	–
EMPLOYEE METRICS						
Employment costs (included in both cost of sales and selling and administrative expenses)**					1 124,8	1 185,8
Number of employees at year end					2 176	2 586

* Includes AVI Field Marketing Services. Costs attributable to AVI Field Marketing Services have been allocated to the appropriate segments.

** Employment costs include the following: short-term employment benefits, termination benefits, retirement benefits, post-retirement benefits, share-based payments and long-term earnings-linked performance bonuses.

FASHION BRANDS

	I&J		Personal Care		Footwear & Apparel		Corporate & consolidation		Total	
	2026 R'm	2025 R'm	2026 R'm	2025 R'm	2026 R'm	2025 R'm	2026 R'm	2025 R'm	2026 R'm	2025 R'm
	2 829,8	2 567,8	877,0	924,3	1 652,4	1 619,2	–	–	16 240,3	16 021,5
	2 829,8	2 567,8	877,0	924,3	1 652,4	1 619,2	173,9	175,0	16 414,2	16 196,5
	–	–	–	–	–	–	(173,9)	(175,0)	(173,9)	(175,0)
	2 829,8	2 567,8	877,0	924,3	1 652,4	1 619,2	–	–	16 240,3	16 021,5
	(2 037,4)	(1 889,3)	(399,8)	(419,8)	(674,3)	(662,0)	–	–	(9 350,7)	(9 184,0)
	(474,4)	(437,7)	(316,3)	(347,8)	(672,4)	(693,5)	(8,6)	(9,6)	(3 169,7)	(3 275,6)
	318,0	240,8	160,9	156,7	305,7	263,7	(8,6)	(9,6)	3 719,9	3 561,9
	–	(0,3)	–	–	–	–	–	–	–	(0,3)
	1,5	3,1	–	0,1	4,3	2,7	(3,7)	0,6	5,0	10,1
	(11,4)	(7,3)	(0,5)	(0,4)	(32,2)	(27,9)	54,5	41,3	(196,1)	(236,8)
	(84,6)	(65,8)	(26,5)	(24,2)	(60,2)	(50,8)	(37,4)	(39,9)	(966,8)	(916,7)
	223,5	170,5	133,9	132,2	217,6	187,7	4,8	(7,6)	2 562,0	2 418,2
									0,6	11,5
									2 562,6	2 429,7
	2 926,0	2 886,1	866,0	871,7	1 248,2	1 254,2	383,7	479,5	10 388,1	10 497,2
	994,0	1 001,6	531,6	573,5	1 291,5	1 304,3	(1 924,5)	(1 312,4)	4 526,8	5 150,3
	70,3	246,0	15,7	46,2	32,4	40,3	0,3	(4,0)	387,2	601,0
	172,8	160,2	16,0	14,3	156,6	163,6	2,5	3,8	609,3	587,3
	153,4	139,8	14,4	12,7	39,4	41,1	2,5	3,8	447,9	414,5
	18,4	19,1	0,3	0,3	116,3	121,7	–	–	151,0	161,4
	1,0	1,3	1,3	1,3	0,9	0,8	–	–	10,4	11,4
	–	–	–	–	–	1,3	–	–	–	1,3
	777,8	707,4	190,0	183,1	248,1	246,3	1 126,2*	1 156,9*	3 466,9	3 479,5
	1 915	1 923	317	290	749	815	3 523*	3 494*	8 680	9 108

SEGMENT REPORTING continued

Basis of segment presentation

The segment information has been prepared in accordance with IFRS 8 – *Operating Segments* (“IFRS 8”) which defines the requirements for the disclosure of financial information of an entity’s operating segments. The standard requires segmentation based on the Group’s internal organisation and internal accounting presentation of revenue and operating profit.

Identification of reportable segments

The Group discloses its reportable segments according to the entity components that management monitor regularly in making decisions about operating matters. The reportable segments comprise various operating segments primarily located in South Africa.

The revenue and operating assets are further disclosed within the geographical areas in which the Group operates. Segment information is prepared in conformity with the basis that is reported to the CEO, who is the chief operating decision maker, in assessing segment performance and allocating resources to segments. These values have been reconciled to the consolidated annual financial statements. The basis reported by the Group is in accordance with the accounting policies adopted for preparing and presenting the consolidated annual financial statements.

Segment revenue excludes Value Added Taxation and includes intersegment revenue. Revenue from contracts with customers represents segment revenue from which intersegment revenue has been eliminated. Sales between segments are made on a commercial basis.

Segment operating profit before capital items represents segment revenue less segment operating expenses, excluding capital items included in Note 23.

Segment expenses include direct and allocated expenses. Depreciation and amortisation have been allocated to the segments to which they relate.

The segment assets comprise all assets that are employed by the segment and that either are directly attributable to the segment, or can be allocated to the segment on a reasonable basis.

The number of employees per segment represents the total number of permanent and full time equivalents at year end.

Reportable segments

National Brands

Entyce Beverages

Revenue in this segment is derived from the sale of tea, coffee and creamer, primarily in South Africa and neighbouring countries.

The coffee category includes the supply of premium ground coffee and beverage service solutions to the out-of-home consumption market including hotels, caterers, restaurants and corporates.

Snackworks

The principal activity within this segment is the sale of a full range of sweet and savoury biscuits and baked and fried potato and maize snacks, primarily in South Africa and neighbouring countries.

I&J

I&J catches fish in South African waters and processes, markets and distributes premium quality value-added seafood in local and international markets. I&J also grows, processes, markets and sells farmed abalone.

Fashion brands

Fashion brands provide personal care and footwear and apparel offerings.

Personal Care

Indigo Brands, which forms the base for the personal care segment, creates, manufactures and distributes leading aerosol body spray, roll-on, fragrance, cosmetics and body lotion products. These products are sold primarily in South Africa and neighbouring countries.

Reportable segments continued

Fashion brands continued

Footwear and Apparel

Spitz, Kurt Geiger, Green Cross, Gant and Eden Park make up the footwear and apparel segment and retail a portfolio of owned and licensed footwear and apparel brands in South Africa.

Corporate

The corporate office provides strategic direction, as well as financial, treasury and legal services to the largely autonomous subsidiaries.

Other entities in this segment comprise the various staff share scheme trusts.

No operating segments have been aggregated to form the above reportable operating segments.

Geographical information

The Group's operations are principally located in South Africa.

Major customers

The Group's two most significant customers, both being South African retailers, each individually contribute more than 8% (10% in the previous year) of the Group's total revenue, in the National Brands, I&J and Personal Care segments. Revenue recognised from these customers amounted to R2,86 billion for Customer 1 and R1,30 billion for Customer 2 in the current year (2025: R2,89 billion and R1,40 billion, respectively).

	2026		2025	
SEGMENTAL REVENUE BY MARKET	R'm	%	R'm	%
The Group's consolidated revenue by geographic market, regardless of where goods were produced, was as follows:				
South Africa	13 013,2	80,1	12 949,1	80,8
Other African countries	1 307,8	8,0	1 340,2	8,4
Europe	1 470,8	9,1	1 234,9	7,7
Rest of the world	448,5	2,8	497,3	3,1
	16 240,3	100,0	16 021,5	100,0
ANALYSIS OF NON-CURRENT ASSETS* BY GEOGRAPHIC AREA				
South Africa	4 664,2	98,9	4 764,8	98,7
Other African countries	48,3	1,0	57,7	1,2
Europe	2,1	0,1	2,5	0,1
Rest of the world	–	–	–	–
	4 714,6	100,0	4 825,0	100,0

* Comprises non-current assets less deferred tax assets and other long-term assets.

ACCOUNTING POLICIES

AVI Limited ("the Company") is a South African registered company. The consolidated annual financial statements of the Company for the year ended 30 June 2026 comprise the Company and its subsidiaries (together referred to as "the Group" or "AVI").

Statement of compliance

The consolidated annual financial statements have been prepared in accordance with IFRS[®] Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), in compliance with JSE Listings Requirements (as amended with effect from 16 February 2026), the interpretations adopted by the International Accounting Standards Board ("IASB"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and the requirements of the Companies Act No. 71 of 2008, as amended ("the Companies Act"). The consolidated annual financial statements were approved for issue by the Board of directors on 4 September 2026.

Basis of preparation

These consolidated annual financial statements are prepared in millions of South African Rands ("R'm"), which is the Company's functional currency, on the historical cost basis, except for the following assets and liabilities which are stated at their fair value:

- derivative financial instruments;
- biological assets; and
- liabilities for cash-settled share-based payment arrangements.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about areas of estimation that have the most significant effect on the amounts recognised in the financial statements are described in the following notes:

Note 1 – useful lives and residual values of property, plant and equipment;

Note 3 – useful lives and impairment tests on intangible assets;

Note 6 – utilisation of tax losses;

Note 8 – valuation of biological assets;

Note 13 – lease terms applied in calculating lease liabilities;

Note 14 – measurement of defined benefit obligations; and

Note 33 – measurement of cash-settled share-based payment liabilities relating to BBBEE transactions.

The accounting policies set out below have been applied consistently in the periods presented in these consolidated annual financial statements. There are no new, revised or amended accounting standards, effective 1 July 2025, applicable to the Group.

New standards and interpretations in issue not yet effective

The Group continuously evaluates the impact of new accounting standards, amendments to accounting standards and interpretations and assesses these for applicability to the Group. The new accounting standards and amendments to accounting standards issued which are material to the Group, but not yet effective on 30 June 2026, include:

IFRS 18 – Presentation and Disclosure of Financial Statements

The new standard on presentation and disclosure of financial statements focuses on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Group is still assessing the impact of these amendments which are effective for the Group's annual reporting period beginning on 1 July 2027.

Basis of consolidation

Subsidiaries

The consolidated annual financial statements include the financial statements of the Company and its subsidiaries. Where an investment in a subsidiary is acquired or disposed of during the financial year its results are included from, or to, the date control commences or ceases. Any surplus or deficit arising on the loss of control is recognised in profit or loss.

Subsidiaries are those entities controlled by the Company. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Losses applicable to non-controlling interests in a subsidiary are allocated to the non-controlling interest even if doing so causes the non-controlling interest to have a deficit balance.

Joint arrangements

Joint arrangements are those entities in respect of which there is a contractual agreement whereby the Group and one or more other parties undertake an economic activity, which is subject to joint control.

A joint venture is an arrangement over which the Group has joint control, where the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group's participation in joint ventures is accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, until the date on which joint control ceases, the consolidated annual financial statements include the Group's share of profit or loss and other comprehensive income of the equity-accounted investees offset by dividends received.

Eliminations on consolidation

Intra-group balances and transactions, and any unrealised gains or losses arising from intra-group transactions, are eliminated in preparing the consolidated annual financial statements. Unrealised gains arising from transactions with joint ventures are eliminated to the extent of the Group's interest in these enterprises. Unrealised losses on transactions with joint ventures are eliminated in the same way as unrealised gains except that they are only eliminated to the extent that there is no evidence of impairment.

ACCOUNTING POLICIES continued

Basis of consolidation continued

Goodwill

All business combinations are accounted for by applying the “acquisition method”, as at acquisition date, which is the date on which control is transferred to the Group. The Group measures goodwill as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as at the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in profit or loss.

Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

A bargain purchase gain arising on an acquisition is recognised directly in profit or loss as a capital item.

Transaction costs that the Group incurs in connection with a business combination are expensed as incurred.

Broad-Based Black Economic Empowerment (“BBBEE”) transactions

Where BBBEE transactions involve the disposal or issue of equity interests in subsidiaries, although economic and legal ownership of such instruments may have transferred to the BBBEE participant, the derecognition of such equity interests sold or recognition of equity instruments issued in the underlying subsidiary by the parent shareholder is postponed whilst the parent shareholder is deemed to control the underlying subsidiary per the requirements of IFRS 10 – *Consolidated Financial Statements*.

Where BBBEE transactions involving equity instruments issued to external parties are expected to be settled in cash, a cash-settled share-based payment liability is recognised at the fair value of the amount expected to vest to BBBEE participants.

Where BBBEE transactions involving equity instruments issued to employees are expected to be settled in cash, an employee benefit liability is recognised at the present value of future cash flows expected to vest to participants, measured using the projected unit credit method.

Biological assets

Biological assets comprise abalone stock farmed by I&J.

Biological assets are stated at fair value less estimated costs to sell. Costs to sell include all costs that would be necessary to sell the assets, excluding costs necessary to get the assets to market.

The valuation takes into consideration estimated growth rates and mortality (refer to Note 8 for a description of the methodology used for the estimation of growth rates and mortality rates). The market prices are derived from observable market prices and realised prices. The prices are reduced for estimated harvesting costs, processing costs, freight costs and other selling costs, to determine the net fair value.

The fair value of biological assets are categorised as Level 3 fair values as defined.

The net gain or loss arising from the change in the fair value of abalone stock is recognised in profit and loss in the period in which they arise.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of an asset, that requires a substantial period of time to prepare for its intended use, are capitalised. Interest is capitalised over the period during which the qualifying asset is being acquired or constructed and where expenditure for the asset and borrowings have been incurred. Capitalisation ceases when the construction is interrupted for an extended period or when the qualifying asset is substantially complete. All other borrowing costs are recognised in profit or loss using the effective interest method.

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash balances on hand, deposits held on call with banks, net of overdrafts forming part of the Group's cash management, all of which are available for use by the Group unless otherwise stated.

Capital items

Capital items are items of income and expenses relating to the acquisition, disposal or impairment of investments, businesses, property, plant and equipment and intangible assets.

Capital items relate to separately identifiable remeasurements (not adjusted for related taxation and related non-controlling interests) other than remeasurements specifically included in headline earnings as defined in Circular 01/2023 – Headline earnings.

Dividends payable

Dividends payable are recognised in the period in which such dividends are declared.

Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding (adjusted for own shares held) during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options and equivalent equity instruments granted to employees that have not yet met the accounting recognition criteria.

Employee benefits

Short-term employee benefits

The cost of all short-term employee benefits is recognised in profit or loss during the period in which the employee renders the related service.

The accruals for employee entitlements to salaries, performance bonuses and annual leave represent the amounts which the Group has a present obligation to pay as a result of employees' services provided to the reporting date. The accruals have been calculated at undiscounted amounts based on current salary levels at the reporting date.

Defined contribution plans

The Group provides defined contribution plans for the benefit of employees, the assets of which are held in separate funds. These funds are funded by payments from employees and the Group. The Group's contributions to defined contribution plans are charged to profit or loss in the year to which they relate.

Defined benefit obligations

The Group's obligation to provide post-retirement medical aid benefits is a defined benefit obligation. The projected unit credit method is used to measure the present value of the obligation and the cost of providing these benefits.

Current service costs and interest costs are recognised in profit or loss in the period incurred.

Remeasurements, comprising actuarial gains and losses, are recognised immediately through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

ACCOUNTING POLICIES continued

Employee benefits continued

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-retirement and pension plans is the amount of future benefit that employees have earned in return for their services in the current and prior periods.

That benefit is discounted to determine its present value and the fair value of any related assets is deducted. The calculation of benefits is performed using the projected unit credit method. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw from the offer of those benefits and when the Group recognises costs for a restructuring. If the benefits are payable more than 12 months after the reporting date, they are discounted to their present value.

Fair value measurement

The Group measures financial instruments, such as derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use, or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

- Note 8 – Biological assets
- Note 37 – Financial assets and liabilities

Financial instruments

Financial instruments are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs when the Group becomes a party to the contractual arrangements. Subsequent to initial recognition, these instruments are measured in accordance with their classification as set out below.

Financial asset classification and measurement

Financial assets are classified into the following three principal categories: financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and debt instruments at amortised cost. The classification depends on the contractual cash flow characteristics and the business models for managing the financial assets, and is determined at the time of initial recognition.

The Group does not have any financial assets at fair value through other comprehensive income.

Debt instruments, derivatives and equity instruments at fair value through profit or loss ("FVTPL")

Financial assets are classified as at FVTPL when the financial asset is (i) held for trading, or (ii) it is designated as FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss.

Debt instruments at amortised cost

Debt instruments at amortised cost (including trade and other receivables, bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Amortised cost is calculated considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

The Group measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial liability classification and measurement

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities at fair value through profit or loss ("FVTPL")

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading, or (ii) it is designated as FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss.

ACCOUNTING POLICIES continued

Financial instruments continued

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Offset

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when the Group has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derivative instruments

The Group uses derivative financial instruments to manage its exposure to risks arising from operational, financing and investment activities. The Group does not hold or issue derivative financial instruments for trading purposes.

Subsequent to initial recognition, derivative instruments are measured at fair value through profit or loss. Fair value is determined by comparing the contracted rate to the current rate of an equivalent instrument with the same maturity date. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

Hedging

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income and presented in the cash flow hedging reserve in equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

When the hedged firm commitment or forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the cumulative amount recognised in equity up to the transaction date is adjusted against the initial measurement of the asset or liability. For other cash flow hedges, the cumulative amount is recognised in profit or loss in the period when the commitment or forecast transaction affects profit or loss.

Where the hedging instrument or hedge relationship is terminated or no longer meets the criteria for hedge accounting but the hedged transaction is still expected to occur, the cumulative unrealised gain or loss at that point remains in equity and is recognised in profit or loss when the underlying transaction occurs. If the hedged transaction is no longer expected to occur, the cumulative unrealised gain or loss is recognised in profit or loss immediately.

Where a derivative financial instrument is used to hedge economically the foreign exchange exposure of a recognised monetary asset or liability, no hedge accounting is applied and any gain or loss on the hedging instrument is recognised in profit or loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to South African Rand, being the functional currency of the Company, at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to South African Rand at the exchange rates ruling at that date. Gains or losses on translation are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currencies continued

Foreign operations

The assets and liabilities of all foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to South African Rand at foreign exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated to South African Rand at approximate foreign exchange rates ruling at the date of the transactions. Foreign exchange differences arising on translation are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity. The foreign currency translation reserve applicable to a foreign operation is released to profit or loss upon disposal of that foreign operation.

Impairment of non-financial assets

The carrying amounts of the Group's assets other than deferred tax assets, biological assets, inventories and financial assets which are separately assessed and provided against where necessary, are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated.

For goodwill and intangible assets that have an indefinite useful life, the recoverable amount is estimated at least annually.

The recoverable amount of assets is the greater of their fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs. Subject to an operating segment ceiling test (before aggregation of segments), for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Impairment losses are recognised in profit or loss as a capital item, when the carrying amount exceeds the recoverable amount.

Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGUs and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine a higher recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised, and when the indication of impairment no longer exists.

Impairment of financial assets

The Group recognises expected credit losses ("ECL") for all financial assets measured at amortised cost, including trade receivables, other receivables and cash and cash equivalents. ECLs represent the difference between the contractual cash flows due in accordance with the contract and the cash flows that the Group expects to receive, discounted at the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group applies the simplified approach permitted by IFRS 9 to trade receivables and recognises lifetime ECLs at each reporting date. As a result, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. Loss allowances for trade receivables are determined using a provision matrix, which is based on historical credit loss experience, adjusted for current conditions and forward-looking information, including macroeconomic factors relevant to the markets in which the Group operates.

For financial assets to which the general approach is applied, the Group recognises ECLs in three stages:

- Stage 1: For exposures where there has not been a significant increase in credit risk since initial recognition, a 12 month ECL is recognised.
- Stage 2: For exposures where there has been a significant increase in credit risk since initial recognition, a lifetime ECL is recognised.
- Stage 3: For credit-impaired financial assets, a lifetime ECL is recognised.

ACCOUNTING POLICIES continued

Impairment of financial assets continued

For other financial assets, including cash and cash equivalents and other receivables, the Group applies the general approach and recognises 12 month ECLs unless there has been a significant increase in credit risk since initial recognition, in which case lifetime ECLs are recognised.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts, taking into account credit enhancements that are part of the contractual terms and that are not recognised separately by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. This is determined based on relevant information, including the financial position of the counterparty and the outcome of collection activities. The Group's exposure to credit risk is primarily attributable to trade receivables arising from sales to retail and wholesale customers. Credit risk on cash and cash equivalents is considered limited as funds are placed with reputable financial institutions.

Intangible assets

Intangible assets, excluding goodwill, acquired by the Group are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets, unless such lives are indefinite. Where the useful life of an intangible asset is assessed as indefinite, the intangible asset is not amortised, but is tested annually for impairment.

Subsequent expenditure on acquired intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, and expenditure on internally generated goodwill and brands, is recognised in profit or loss as an expense when incurred.

Inventories

Inventories are stated at the lower of cost and net realisable value. Provision is made for slow-moving and obsolete inventory based on historical experience and future sales.

The cost of inventories is based on the first-in-first-out method or a weighted average cost basis, whichever is applicable, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. The cost of items transferred from biological assets is their fair value less costs to sell at the date of transfer.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. An identified asset is physically distinct, or if not physically distinct, the lessee has the right to use substantially all of the capacity of the asset during the lease term. If a contract contains more than one lease component, or a combination of leasing and selling transactions, the consideration is allocated to each of the lease and non-lease components on conclusion, and on each subsequent measurement, of the contract on the basis of their relative stand-alone selling prices.

Lessee

Leases are accounted for based on a right-of-use model. The model reflects that, at the commencement date, a lessee has a financial obligation to make lease payments to the lessor for its right to use the underlying asset during the lease term. The lessor conveys that right to use the underlying asset at lease commencement, which is the time when it makes the underlying asset available for use by the lessee.

Leases continued

Lessee continued

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The lease term also takes into account the likelihood of exercising a renewal option.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment regarding purchase of the underlying asset.

Variable lease payments

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

Certain of the Group's retail outlets are subject to contingent rentals which are determined with reference to the respective store's annual turnover. Turnover rentals are calculated as a percentage of the value of sales that exceed agreed targets, and expensed as part of variable lease payments when incurred.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group currently does not have any finance leases.

Operating lease payments are recognised as income on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as income in the period in which they are earned.

ACCOUNTING POLICIES continued

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment (including leasehold improvements), are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items. Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Vessels

Major vessel reconstructions are capitalised where such reconstructions extend the useful life of a vessel. The reconstruction is written off over the remaining expected useful life of the vessel.

Depreciation

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value, over the estimated useful life. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Depreciation of an item of property, plant and equipment begins when it is available for use and ceases at the earlier of the date it is classified as held-for-sale or the date that it is derecognised upon disposal. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

- Buildings 40 – 50 years
- Plant and machinery 3 – 20 years
- Vehicles – trucks 3 – 8 years
- other 3 – 5 years
- Vessels – hull 35 – 45 years
- aircraft 15 – 18 years
- other components 5 – 10 years
- Furniture and equipment 3 – 10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Derecognition

The gain or loss arising from the derecognition of an item of property, plant and equipment, being the difference between the carrying amount and any proceeds received, is included in profit or loss when the item is derecognised.

Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation, and where a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Revenue recognition

Revenue from contracts with customers mostly comprise the sale of goods, as well as the provision of services. Revenue is recognised when control of the goods or services is transferred to customers.

Revenue from the sale of goods is recognised at the point in time when control of the goods is transferred to the customer, which is generally on delivery of the goods. However, for export sales, the transfer of control often takes place once goods are handed over to the shipping company.

Revenue from service transactions is recognised as the service is performed and control is transferred.

Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services, net of Value Added Tax and any consideration payable to customers for returns, discounts, rebates, cooperative advertising and other allowances.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated, however contracts generally comprise a single performance obligation. Where more than one performance obligation exists, the Group allocates the transaction price based on the relative stand-alone selling price of each performance obligation.

Based on payment terms agreed with customers, the Group expects to receive payment within less than a year of transferring goods or services, and therefore no significant financing component exists.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer. Discounts, rebates, cooperative advertising and other allowances are treated as variable consideration. The variable consideration is estimated at contract inception based on the most likely amount and adjusted for in the transaction price accordingly. Variable consideration is mostly applicable to contracts for the sale of goods which include a right of return or volume rebate allowance. The variable consideration is calculated based on historical data and on trading terms contained in signed agreements with customers, along with the value of sales which have taken place over the relevant period.

Consideration payable to customers that is not distinct or separable from the goods or services in the contract is accounted for as a reduction of the transaction price. The Group in turn accounts for amounts payable to customers for returns, discounts, rebates, cooperative advertising and other trade allowances as a deduction against revenue, with recognition of a concomitant liability.

For expected returns, in addition to the recognition of a refund liability, a right-of-return asset (and corresponding adjustment to cost of sales) is recognised for the right to recover products from customers.

In terms of lay-by arrangements and the sale of gift cards within the Group's retail businesses, consideration is received from customers before the transfer of goods. In these instances, the consideration received is recorded as a contract liability, and later recognised as revenue when the Group performs under the contract.

When another party is involved in providing goods or services to customers, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Group's role is only to arrange for another entity to provide the goods or services, then the Group is an agent and records revenue at the net amount that it retains for its agency services. In the majority of contracts with customers, the Group is the principal and records revenue on a gross basis.

Recognition of income from investments

Interest

Interest is recognised on a time proportion basis at an effective interest rate that takes into account the yield on the asset.

ACCOUNTING POLICIES continued

Share-based payment transactions

Group share-based payment transactions

Transactions in which a parent grants rights to its own equity instruments directly to the employees of its subsidiaries are classified as equity-settled in the financial statements of the parent. The subsidiary classifies these transactions as equity-settled in its financial statements where it has no obligation to settle the share-based payment transaction.

The subsidiary recognises the services acquired as a result of the share-based payment as an expense and recognises a corresponding increase in equity as a capital contribution from the parent for those services acquired. The parent recognises in equity the equity-settled share-based payment and recognises a corresponding increase in the investment in subsidiary.

Equity-settled

The fair value of share options granted to Group employees is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and expensed over the period during which the employee becomes unconditionally entitled to the equity instruments. The fair value of the instruments granted is measured using generally accepted valuation techniques, taking into account the terms and conditions upon which the instruments are granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is due only to market conditions not being met.

Cash-settled

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognised as an expense, with a corresponding increase in liabilities, over the period in which the employee becomes unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised in profit or loss.

BBBEE transactions

Where goods or services are considered to have been received from black economic empowerment partners as consideration for equity instruments of the Group, these transactions are accounted for as share-based payment transactions, even when the entity cannot specifically identify the goods or services received.

Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Repurchase of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a change to equity. Repurchased shares held by subsidiaries are classified as treasury shares and presented as a deduction from total equity. The consideration received when own shares held by the Group are re-issued is presented as a change to equity and no profit or loss is recorded.

Taxation

Taxation on the profit or loss for the year comprises current and deferred taxation. Taxation is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in other comprehensive income or equity.

Current taxation

Current taxation comprises tax payable calculated on the basis of the estimated taxable income for the year, using the tax rates enacted at the reporting date, and any adjustment to tax payable for previous years.

Taxation continued

Deferred taxation

Deferred taxation is provided using the liability method based on temporary differences. Temporary differences are differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base. The amount of deferred taxation provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the reporting date.

Deferred taxation is charged to profit or loss except to the extent that it relates to a transaction that is recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity, or a business combination that is an acquisition, in which case it is recognised as an adjustment to goodwill. The effect on deferred taxation of any changes in tax rates is recognised in profit or loss, except to the extent that it relates to items previously charged or credited directly to other comprehensive income or equity.

A deferred taxation asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred taxation assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Dividend withholding tax

Dividend withholding tax is a tax on shareholders receiving dividends. Shareholders who are not exempt from paying dividend tax are subject to dividend withholding tax at a rate of 20%. In terms of dividend tax legislation, the dividend tax amount is withheld and paid over to the South African Revenue Service by nominee companies, stockbrokers or the relevant Central Securities Depository Participant on behalf of shareholders. Dividends are recognised at the gross amount directly in equity.

Uncertainty over income tax treatments

Where there is uncertainty regarding the tax treatment of an item, the Group discloses the judgements made in determining the respective tax position as well as information regarding any assumptions and estimates made. The Group recognises liabilities for anticipated uncertain positions based on the best estimate of whether additional income taxes will be due.

International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12

The amendments to IAS 12 have been introduced in response to the Organization for Economic Co-operation and Development's ("OECD") Base Erosion and Profit Shifting ("BEPS") Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The Group is within the scope of the OECD's Pillar Two global minimum tax model rules. Legislation was enacted in South Africa and is applicable to the Group's 2026 year. The mandatory temporary exception – the use of which is required to be disclosed – applies immediately.

The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes. The Group has reviewed its corporate structure in light of the introduction of Pillar Two Model Rules in various jurisdictions. Since the Group's effective tax rate is well above 15% in all jurisdictions in which it operates, the Group has assessed that there is no current tax impact and is not required to pay Pillar Two "top-up" taxes.

BALANCE SHEET

as at 30 June 2026	Notes	2026 R'm	2025 R'm
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	1	3 349,2	3 421,1
Right-of-use assets	2	430,9	463,5
Intangible assets and goodwill	3	934,5	940,3
Investments in joint ventures	4	–	0,1
Other long-term assets	5	24,4	22,5
Deferred taxation	6	61,9	58,6
		4 800,9	4 906,1
CURRENT ASSETS			
Inventories	7	2 832,3	2 784,3
Biological assets	8	283,3	343,0
Other financial assets including derivatives	16	60,7	13,7
Current tax assets	26	1,6	9,3
Trade and other receivables	9	2 202,5	2 146,3
Cash and cash equivalents	10	206,8	294,5
		5 587,2	5 591,1
TOTAL ASSETS		10 388,1	10 497,2
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Share capital	11	16,3	16,3
Share premium	11	263,1	263,1
Treasury shares	11	(75,8)	(75,8)
I&J BBBEE shareholders		(106,6)	(106,6)
Reserves	12	604,9	461,9
Retained earnings		5 159,4	4 788,0
TOTAL EQUITY		5 861,3	5 346,9
NON-CURRENT LIABILITIES			
Cash-settled share-based payment liabilities	34	16,4	17,5
Lease liabilities	13	391,3	417,8
Employee benefit liabilities	14	304,8	300,0
Deferred taxation	6	382,9	388,0
		1 095,4	1 123,3
CURRENT LIABILITIES			
Cash-settled share-based payment liabilities	34	2,5	–
Current borrowings including short-term portion of lease liabilities	15	1 481,6	2 139,9
Other financial liabilities including derivatives	16	25,1	38,9
Trade and other payables	17	1 880,5	1 816,5
Current tax liabilities	26	41,7	31,7
		3 431,4	4 027,0
TOTAL EQUITY AND LIABILITIES		10 388,1	10 497,2

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2026	Notes	2026 R'm	2025 R'm
REVENUE	18	16 240,3	16 021,5
Cost of sales		(9 350,7)	(9 184,0)
GROSS PROFIT		6 889,6	6 837,5
Selling and administrative expenses, including other income		(3 169,7)	(3 275,6)
OPERATING PROFIT BEFORE CAPITAL ITEMS	19	3 719,9	3 561,9
Interest received	20	5,0	10,1
Finance costs	21	(196,1)	(236,8)
Share of equity-accounted losses of joint venture	22	–	(0,3)
Capital items	23	0,8	11,1
PROFIT BEFORE TAXATION		3 529,6	3 346,0
Taxation	24	(967,0)	(916,3)
PROFIT FOR THE YEAR		2 562,6	2 429,7
Other comprehensive profit/(loss), net of tax		19,3	(19,7)
Items that are or may subsequently be reclassified to profit or loss			
Foreign currency translation differences	12	(1,2)	(3,1)
Cash flow hedging reserve	12	37,5	(43,4)
Taxation on items that are or may subsequently be reclassified to profit or loss		(10,1)	11,7
Items that will never be reclassified to profit or loss			
Actuarial (loss)/gain recognised	12	(9,4)	20,7
Taxation on items that will never be reclassified to profit or loss		2,5	(5,6)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2 581,9	2 410,0
PROFIT ATTRIBUTABLE TO:			
Owners of AVI		2 562,6	2 429,7
		2 562,6	2 429,7
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of AVI		2 581,9	2 410,0
		2 581,9	2 410,0
Basic earnings per share (cents)	29	768,1	732,6
Diluted earnings per share (cents)	29	760,2	721,2

Details of the headline earnings and dividends declared per ordinary share are provided in Notes 29 and 30 to the financial statements, on pages 192 and 196.

STATEMENT OF CASH FLOWS

for the year ended 30 June 2026	Notes	2026 R'm	2025 R'm
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated by operations	25	4 407,4	3 985,8
Interest paid	21	(196,1)	(236,8)
Taxation paid	26	(931,0)	(892,4)
NET CASH AVAILABLE FROM OPERATING ACTIVITIES		3 280,3	2 856,6
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	20	5,0	10,1
Acquisition of property, plant and equipment	1	(387,2)	(601,0)
Acquisition of intangible assets	3	(4,6)	(8,7)
Proceeds from disposals of property, plant and equipment		11,4	12,9
Other cash flows (to)/from investments	27	(1,9)	22,0
NET CASH UTILISED IN INVESTING ACTIVITIES		(377,3)	(564,7)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term funding (repaid)/raised	28	(658,6)	777,2
Lease liabilities repaid	28	(141,5)	(150,6)
Payment to I&J BBBEE shareholders		(1,5)	(0,6)
Ordinary dividends paid	30	(2 191,2)	(2 037,3)
Special dividends paid	30	–	(938,1)
NET CASH UTILISED IN FINANCING ACTIVITIES		(2 992,8)	(2 349,4)
DECREASE IN CASH AND CASH EQUIVALENTS		(89,8)	(57,5)
Cash and cash equivalents at beginning of year		294,5	352,9
Net increase/(decrease) as a result of the translation of the cash equivalents of foreign subsidiaries		2,1	(0,9)
CASH AND CASH EQUIVALENTS AT END OF YEAR	10	206,8	294,5

STATEMENT OF CHANGES IN EQUITY

		Share capital and premium R'm	Treasury shares R'm	Reserves R'm	Retained earnings R'm	I&J BBBEE shareholders R'm	Total equity R'm
for the year ended 30 June 2026	Notes						
Balance at beginning of year		279,4	(75,8)	461,9	4 788,0	(106,6)	5 346,9
TOTAL COMPREHENSIVE INCOME FOR THE YEAR							
Profit for the year		-	-	-	2 562,6	-	2 562,6
OTHER COMPREHENSIVE PROFIT							
Foreign currency translation differences		-	-	(1,2)	-	-	(1,2)
Actuarial loss recognised, net of tax		-	-	(6,9)	-	-	(6,9)
Cash flow hedging reserve, net of tax		-	-	27,4	-	-	27,4
<i>Total other comprehensive profit for the year</i>		-	-	19,3	-	-	19,3
Total comprehensive income for the year		-	-	19,3	2 562,6	-	2 581,9
TRANSACTIONS WITH OWNERS RECORDED DIRECTLY IN EQUITY							
Share-based payments	32.3	-	-	88,4	-	-	88,4
Deferred taxation on Group share scheme recharge		-	-	35,3	-	-	35,3
Dividends paid	30	-	-	-	(2 191,2)	-	(2 191,2)
<i>Total contributions by and distributions to owners</i>		-	-	123,7	(2 191,2)	-	(2 067,5)
Balance at end of year		279,4	(75,8)	604,9	5 159,4	(106,6)	5 861,3

		Share capital and premium R'm	Treasury shares R'm	Reserves R'm	Retained earnings R'm	I&J BBBEE shareholders R'm	Total equity R'm
for the year ended 30 June 2025	Notes						
Balance at beginning of year		279,4	(75,8)	354,2	5 333,7	(106,6)	5 784,9
TOTAL COMPREHENSIVE INCOME FOR THE YEAR							
Profit for the year		-	-	-	2 429,7	-	2 429,7
OTHER COMPREHENSIVE LOSS							
Foreign currency translation differences		-	-	(3,1)	-	-	(3,1)
Actuarial gain recognised, net of tax		-	-	15,1	-	-	15,1
Cash flow hedging reserve, net of tax		-	-	(31,7)	-	-	(31,7)
<i>Total other comprehensive loss for the year</i>		-	-	(19,7)	-	-	(19,7)
Total comprehensive income for the year		-	-	(19,7)	2 429,7	-	2 410,0
TRANSACTIONS WITH OWNERS RECORDED DIRECTLY IN EQUITY							
Share-based payments	32.3	-	-	102,4	-	-	102,4
Deferred taxation on Group share scheme recharge		-	-	25,0	-	-	25,0
Dividends paid	30	-	-	-	(2 975,4)	-	(2 975,4)
<i>Total contributions by and distributions to owners</i>		-	-	127,4	(2 975,4)	-	(2 848,0)
Balance at end of year		279,4	(75,8)	461,9	4 788,0	(106,6)	5 346,9

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2026

1. Property, plant and equipment

	Land R'm	Buildings R'm	Plant and machinery R'm	Vehicles, furniture and equipment R'm	Vessels R'm	Total R'm
2026						
COST						
At beginning of year	86,6	986,1	3 779,8	1 327,2	1 397,6	7 577,3
Additions	4,1	59,6	176,2	110,0	37,3	387,2
Disposals	–	(0,7)	(37,4)	(91,8)	(14,0)	(143,9)
Effect of movement in exchange rates	–	(0,5)	–	(1,2)	–	(1,7)
AT END OF YEAR	90,7	1 044,5	3 918,6	1 344,2	1 420,9	7 818,9
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES						
At beginning of year	–	310,8	2 198,6	890,9	755,9	4 156,2
Disposals	–	(0,7)	(35,7)	(83,2)	(13,7)	(133,3)
Effect of movement in exchange rates	–	(0,2)	–	(0,9)	–	(1,1)
Depreciation	–	29,9	210,2	106,7	101,1	447,9
AT END OF YEAR	–	339,8	2 373,1	913,5	843,3	4 469,7
NET CARRYING VALUE						
At beginning of previous year	86,6	638,0	1 598,7	407,5	517,5	3 248,3
At end of previous year	86,6	675,3	1 581,2	436,3	641,7	3 421,1
AT END OF CURRENT YEAR	90,7	704,7	1 545,5	430,7	577,6	3 349,2

	Land R'm	Buildings R'm	Plant and machinery R'm	Vehicles, furniture and equipment R'm	Vessels R'm	Total R'm
2025						
COST						
At beginning of year	86,6	922,8	3 640,0	1 274,9	1 200,5	7 124,8
Additions	–	63,4	181,7	140,6	215,3	601,0
Disposals	–	(0,1)	(41,8)	(87,9)	(18,2)	(148,0)
Effect of movement in exchange rates	–	–	(0,1)	(0,4)	–	(0,5)
AT END OF YEAR	86,6	986,1	3 779,8	1 327,2	1 397,6	7 577,3
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES						
At beginning of year	–	284,8	2 041,3	867,4	683,0	3 876,5
Disposals	–	(0,1)	(38,9)	(79,2)	(16,8)	(135,0)
Effect of movement in exchange rates	–	–	(0,1)	(0,2)	–	(0,3)
Depreciation	–	26,1	196,3	102,4	89,7	414,5
Impairment loss	–	–	–	0,5	–	0,5
AT END OF YEAR	–	310,8	2 198,6	890,9	755,9	4 156,2
NET CARRYING VALUE						
At beginning of previous year	86,6	630,1	1 511,6	400,0	555,9	3 184,2
At end of previous year	86,6	638,0	1 598,7	407,5	517,5	3 248,3
AT END OF CURRENT YEAR	86,6	675,3	1 581,2	436,3	641,7	3 421,1

1. Property, plant and equipment continued

	2026 R'm	2025 R'm
Land comprises:		
Freehold	90,7	86,6

- The current estimated useful lives of property, plant and equipment are reflected under accounting policies on page 166.
- The estimated useful lives and residual values are reviewed annually, taking cognisance of forecast commercial and economic realities, historical usage of similar assets and input from original equipment manufacturers on plant and machinery.
- Expenditure on property, plant and equipment in the course of construction and included above at 30 June 2026 was R114,0 million (2025: R143,4 million).
- Capital commitments, excluding capitalised interest, of R236,4 million (2025: R139,5 million) have been entered into at year end. These include all projects for which specific board approval has been obtained (Note 31).
- No impairment losses arose during the current year. In the prior year, impairment losses arising from the identified obsolescence of, damage to and underperformance of items of plant and machinery amounted to R0,5 million.
- A register containing details of properties is available for inspection by shareholders or their duly authorised agents during business hours at the registered office of the Company.

2. Right-of-use assets

	Retail stores and storerooms R'm	Other commercial and industrial sites R'm	Total R'm
2026			
CARRYING VALUE AT 1 JULY 2025	274,1	189,4	463,5
Effect of movement in exchange rates	–	(2,5)	(2,5)
Additions for new leases and lease renewals	81,0	44,3	125,3
Impact of lease modifications and remeasurements	(2,3)	(2,1)	(4,4)
Depreciation	(111,9)	(39,1)	(151,0)
CARRYING VALUE AT 30 JUNE 2026	240,9	190,0	430,9

	Retail stores and storerooms R'm	Other commercial and industrial sites R'm	Total R'm
2025			
CARRYING VALUE AT 1 JULY 2024	244,2	222,7	466,9
Effect of movement in exchange rates	–	(0,5)	(0,5)
Additions for new leases and lease renewals	139,5	11,4	150,9
Impact of lease modifications and remeasurements	9,1	(0,7)	8,4
Depreciation	(117,9)	(43,5)	(161,4)
Impairment charge	(0,8)	–	(0,8)
CARRYING VALUE AT 30 JUNE 2025	274,1	189,4	463,5

Right-of-use assets mostly relate to retail stores which are leased by the Group's retail businesses. The Group also leases a number of other commercial and industrial sites. Right-of-use assets are effectively ceded as security for concomitant lease liabilities (Note 13) as the rights to the leased assets revert to the lessor in the event of default.

No impairment losses arose during the current year. In the prior year, impairment losses relating to Green Cross retail store closures amounted to R0,8 million.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

3. Intangible assets and goodwill

2026	Goodwill R'm	Fishing rights R'm	Trademarks R'm	Customer relationships and contracts R'm	Computer software R'm	Total R'm
COST						
At beginning of year	489,2	8,8	869,9	1,1	248,7	1 617,7
Additions*	–	0,5	0,5	–	3,6	4,6
Disposals	–	–	–	–	(25,5)	(25,5)
Effect of movement in exchange rates	–	–	–	–	(0,3)	(0,3)
AT END OF YEAR	489,2	9,3	870,4	1,1	226,5	1 596,5
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES						
At beginning of year	12,2	2,0	444,3	1,1	217,8	677,4
Disposals	–	–	–	–	(25,5)	(25,5)
Effect of movement in exchange rates	–	–	–	–	(0,3)	(0,3)
Amortisation	–	0,7	3,0	–	6,7	10,4
AT END OF YEAR	12,2	2,7	447,3	1,1	198,7	662,0
NET CARRYING VALUE						
At beginning of previous year	477,0	7,0	427,2	–	31,8	943,0
At end of previous year	477,0	6,8	425,6	–	30,9	940,3
AT END OF CURRENT YEAR	477,0	6,6	423,1	–	27,8	934,5

2025	Goodwill R'm	Fishing rights R'm	Trademarks R'm	Customer relationships and contracts R'm	Computer software R'm	Total R'm
COST						
At beginning of year	489,2	8,4	874,1	1,1	243,1	1 615,9
Additions*	–	0,4	1,6	–	6,7	8,7
Disposals	–	–	(5,8)	–	(1,1)	(6,9)
Effect of movement in exchange rates	–	–	–	–	–	–
AT END OF YEAR	489,2	8,8	869,9	1,1	248,7	1 617,7
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES						
At beginning of year	12,2	1,4	446,9	1,1	211,3	672,9
Disposals	–	–	(5,8)	–	(1,1)	(6,9)
Effect of movement in exchange rates	–	–	–	–	–	–
Amortisation	–	0,6	3,2	–	7,6	11,4
AT END OF YEAR	12,2	2,0	444,3	1,1	217,8	677,4
NET CARRYING VALUE						
At beginning of previous year	477,0	7,1	424,2	–	19,4	927,7
At end of previous year	477,0	7,0	427,2	–	31,8	943,0
AT END OF CURRENT YEAR	477,0	6,8	425,6	–	30,9	940,3

* Capitalisation of fishing rights application costs, computer software, purchase of trademarks and trademark registration costs.

3. Intangible assets and goodwill continued

Useful lives

The fishing rights are amortised over a period of 15 years.

Computer software is amortised over a period of 2 to 10 years.

The majority of trademarks are considered to have indefinite useful lives as they relate to well-established brands that are expected to generate cash flows indefinitely. This assessment is supported by the strength and longevity of the brands, ongoing marketing support, and the absence of legal, regulatory or commercial factors limiting their useful life. A portion of trademarks, including certain brand and trademark registrations, with a net book value of R15,4 million (2025: R17,9 million), are assessed to have finite useful lives and are amortised over periods ranging between 5 and 10 years.

Cash-generating units containing goodwill and trademarks

The following units have significant carrying amounts of goodwill and trademarks, net of impairment losses:

	GOODWILL		TRADEMARKS		TOTAL	
	2026 R'm	2025 R'm	2026 R'm	2025 R'm	2026 R'm	2025 R'm
Spitz	449,2	449,2	69,5	69,5	518,7	518,7
Carvela	–	–	71,3	71,3	71,3	71,3
Kurt Geiger	–	–	15,3	15,3	15,3	15,3
Yardley	–	–	29,5	29,6	29,5	29,6
Lentheric	–	–	41,4	41,8	41,4	41,8
Exclamation	–	–	120,6	120,6	120,6	120,6
House of Coffees	15,3	15,3	33,6	33,6	48,9	48,9
Baker Street Snacks	12,5	12,5	–	–	12,5	12,5
Multiple units without significant balances	–	–	41,9	43,9	41,9	43,9
	477,0	477,0	423,1	425,6	900,1	902,6

Goodwill arises on the acquisition of assets that did not meet the criteria for recognition as intangible assets at the date of acquisition.

Impairment tests

The carrying amounts of goodwill and trademarks with indefinite useful lives are reviewed at least annually for impairment. The recoverable amount of goodwill and trademarks is their value in use which is calculated using the discounted cash flow model, taking into account the forecast profits of the cash-generating units they form part of. Management forecasts typically cover a five-year period and thereafter a reasonable rate of growth is applied based on market conditions. Revenue and profit growth assumptions are based on budgets, business plans and historical performance, taking into account the economic and political environment. Discount rates used in the discounted cash flow models are based on a weighted average cost of capital of similar businesses in the same sector and of similar size and range between 12,2% and 16,6% (2025: 12,1% and 16,5%) depending on the business' risk profile. Perpetuity growth rates were set at 3,4% (2025: at 5,0%). No impairment losses arose in the current year nor in the prior year.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

4. Investments in joint ventures

	2026 R'm	2025 R'm
GROUP CARRYING VALUE OF JOINT VENTURE		
Share of post-acquisition reserves	–	0,1
Carrying value	–	0,1

The above investment relates to Irvin & Johnson Limited's squid fishing joint venture incorporated in Umsobomvu Fishing Proprietary Limited ("Umsobomvu"). The joint venture was deregistered on 23 April 2026.

In the prior year, in line with I&J's objective to simplify and focus on core operations, the two shareholders of the joint venture entered into an agreement to sell all five of the vessels together with the squid fishing rights held by the joint venture for a total purchase consideration of R53,3 million. The agreement was dependent on certain suspensive conditions, most notably the approval of the transfer of the fishing rights by the Department of Forestry, Fisheries and Environment ("DFFE"). The suspensive conditions and completion actions were finalised during July 2024, with funds being paid to the joint venture, and the sale transaction resulting in a capital profit after taxation of R12,6 million, which was recognised in the prior year. During June 2025, dividends were declared and paid to the shareholders, of which I&J Limited received R2,5 million.

5. Other long-term assets

	2026 R'm	2025 R'm
Contributions to Enterprise and Supplier Development initiatives	23,9	21,9
Operating lease straight-line assets	0,5	0,6
TOTAL NON-CURRENT OTHER LONG-TERM ASSETS	24,4	22,5

Contributions made to Enterprise and Supplier Development initiatives are loans which are unsecured and have varying terms of repayment of between three and five years depending on the performance of the underlying investment. The contributions made qualify in terms of the BBBEE Amended Codes of Good Practice as contemplated in the Broad-Based Black Economic Empowerment Act.

6. Deferred taxation

	2026 R'm	2025 R'm
Balance at beginning of year, being a net liability	329,4	323,7
Charge to profit or loss	19,4	36,8
– current year temporary differences	19,8	36,3
– prior year (over)/under provision	(0,4)	0,5
Effect of movement in exchange rates	(0,1)	–
Reserve movements in respect of actuarial (losses)/gains recognised directly in other comprehensive income	(2,5)	5,6
Reserve movements in respect of cash flow hedging recognised directly in other comprehensive income	10,1	(11,7)
Reserve movements in respect of Group share scheme recharge arrangements	(35,3)	(25,0)
BALANCE AT END OF YEAR, BEING A NET LIABILITY	321,0	329,4
Balance at end of year comprises:		
Accelerated capital allowances	464,3	468,3
Temporary differences on trademarks	63,2	63,9
Provisions and other temporary differences:	(123,6)	(119,3)
– post-retirement medical aid	(86,6)	(83,7)
– leave pay and bonus accruals	(78,5)	(79,0)
– other deductible temporary differences	41,5	43,4
Cash flow hedge reserve	4,0	(6,1)
Group share scheme recharge	(52,9)	(51,4)
Right-of-use assets and related lease liabilities	(25,3)	(23,6)
Unused tax losses	(8,7)	(2,4)
	321,0	329,4
Reflected as:		
Deferred taxation asset	61,9	58,6
Deferred taxation liability	382,9	388,0

Deferred tax assets recognised on unused tax losses, except as noted below, were recognised as management considered it probable that future taxable profits will be available against which they can be utilised. The probable utilisation of the losses, based on budgeted and forecast results of subsidiary companies, is within three to five years depending on the stability of the businesses. The tax losses do not expire under current tax legislation.

	2026 R'm	2025 R'm
The estimated losses which are available for the reduction of future taxable income	82,4	63,2
Less: Estimated losses taken into account in calculating deferred taxation	(32,4)	(9,0)
Shareholders' interest in the estimated tax losses not yet recognised	50,0	54,2

Deferred tax assets have not been recognised in respect of those losses where it is not probable, under current circumstances, that future taxable income will be available to utilise the benefits in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

7. Inventories

	2026 R'm	2025 R'm
Raw materials	795,6	854,9
Consumable stores	456,1	406,3
Work-in-progress	55,2	61,8
Manufactured finished goods	716,2	680,6
Merchandise – finished goods purchased for resale	809,2	780,7
	2 832,3	2 784,3

There were no material inventory write-offs in the current nor in the prior year.

Inventory recognised as an expense during the year has been included in cost of sales in the Statement of Comprehensive Income.

8. Biological assets

	2026 R'm	2025 R'm
Balance at beginning of year	343,0	356,4
Increase due to farming costs	124,5	125,9
Decreases due to harvest	(142,6)	(166,9)
Gains arising from change in fair value due to physical change	5,3	53,1
Losses arising from change in fair value due to price changes (including exchange rate movements)	(46,9)	(29,2)
Provisions utilised against biological assets	–	3,7
	283,3	343,0

	Kilograms	Kilograms
Standing volume	661 501	688 190
Volume harvested in current year	419 229	408 182

Biological assets comprise abalone farmed by I&J.

Measurement of fair value

The fair value measure for abalone of R283,3 million (2025: R343,0 million) has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used. The following valuation techniques and significant inputs were used to measure the Level 3 inputs. These techniques are consistent with those of the prior year.

Valuation technique

The Group adopts a combination of the market comparison and cost techniques in determining the fair value of abalone, based on the marketable size of the animal. The market comparison model is based on the current market price of abalone which takes cognisance of the animal size and format, less costs to sell. In the case of smaller animals (less than 30g) where no active market exists, the cost technique is adopted and considers the estimated cost per animal taking into account operational costs incurred and the number of animals in the smaller class range.

8. Biological assets continued

Measurement of fair value continued

Unobservable inputs and the relationship to fair value measurement

Unobservable inputs	Relationship of unobservable input to fair value
Cost per animal in the smaller range, determined by the operational costs and the number of animals in the smaller class range.	The estimated fair value of animals smaller than 30g would increase if the cost per animal, determined by the operational costs, were higher. The inverse applies in respect of a reduction in operational costs.
Current market price for the size classes where a principal active market exists.	An increase in the current market price, which is based in USD, would increase the fair value of the biological asset. In addition, a devaluation of the ZAR against the USD would result in an increase in the fair value. The inverse applies to decreases in market pricing and a strengthening of the ZAR against the USD.
The current stock holding in tonnes of the different size classes.	The estimated fair value would increase if the size and volume of abalone on hand were higher. The inverse applies in respect of a reduction in the size and volume of abalone on hand.
The changes in the operational costs to sell.	Operational costs to sell include costs associated with mortality, yield loss, packaging costs, processing costs as well as international freight costs. An increase in the operational costs to sell would result in a reduction in the fair value. The inverse applies to any reduction in the operational costs to sell.
Growth rates of abalone determined on a monthly moving average in millimetres to grams ratio.	The estimated fair value would increase if growth rates were to increase in line with the associated increase in size and volume of abalone on hand. The inverse applies in respect of a reduction in the growth rates.

Assumptions for most significant unobservable inputs

	2026	2025
Exchange rate applied – ZAR:USD	R16,39	R17,75
Abalone USD market pricing ranges:		
– 30g to 150g	\$24,00 – \$43,00	\$24,00 – \$43,00
– 150g or above	\$43,50 – \$44,50	\$43,50 – \$44,50

Assumption sensitivity analysis

The Group has performed a sensitivity analysis relating to its exposure to a change in significant inputs used in the valuation of abalone. The sensitivity analysis demonstrates the increase/(decrease) in the biological asset valuation that could result from a change in these assumptions:

	2026 R'm	2025 R'm
CURRENCY		
– A 10% weakening of the ZAR to the USD	24,3	29,2
– A 10% strengthening of the ZAR to the USD	(24,3)	(29,2)
MARKET SELLING PRICES*		
– A 10% increase in USD market selling prices	27,3	31,3
– A 10% decrease in USD market selling prices	(27,3)	(31,3)
BIOMASS WEIGHT**		
– A 10% increase in the biomass weight	28,3	34,3
– A 10% decrease in the biomass weight	(28,3)	(34,3)

* Assumes currency remains unchanged and aligned with the year-end assumption.

** Assumes size class mix of animals remains in line with the actual closing size mix applied in determination of year-end biological asset value.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

8. Biological assets continued

Risk management strategy related to aquaculture activities

Currency risks

I&J is subject to changes in the exchange rate as abalone sales prices are denominated in US Dollars and biological assets are measured at fair value which is also based on the US Dollar market price. The Group's currency risk management is described in Note 36.5.

Process risks

Abalone farming relies on a living environment which simulates natural conditions. This calls for a continuous supply of water and oxygen to the growing areas. A potential shortage of electrical supply to drive the key equipment is mitigated by failsafe back-up power generators.

Critical equipment such as pumps for water flow and fans for oxygen are monitored by sophisticated alarm systems.

Extensive security measures are in place to protect against theft while abalone is growing, being processed and being transported.

Comprehensive fixed asset insurance is in place, whilst livestock insurance covers losses due to theft, accident or transport claims from the point of harvest.

Disease risks

Disease risk is mitigated via a comprehensive biosecurity protocol applied at all levels on the farm. The farm is divided into separate flow-through zones which allows for quarantine and separation should such a risk arise.

Daily monitoring of the water condition and organisms is part of the biosecurity plan.

I&J Dangerpoint farm is part of a specialist vet health monitoring programme where frequent assessments are done to verify the condition of the abalone stock and potentially provide an early warning of disease risk.

Natural seasonal events could give rise to algal blooms in the ocean, which can be a potential risk to animal health. This is mitigated by an algal bloom protocol, which includes the activation of a recirculation and filtration plan to dilute the algal bloom concentration.

9. Trade and other receivables

	2026 R'm	2025 R'm
Trade receivables	2 026,2	2 017,1
Indirect taxation	38,1	45,7
Prepayments	81,1	52,9
Other receivables	57,1	30,6
	2 202,5	2 146,3
The trade receivables balance is made up of:		
Gross trade debtors consideration	2 736,9	2 667,4
Allowances for credit notes, discounts and other trading terms	(707,0)	(645,9)
Impairment loss allowance	(3,7)	(4,4)
	2 026,2	2 017,1

Refer to Note 36.3 for a reconciliation of the impairment loss allowance.

Trade accounts are non-interest bearing and are generally on terms of 30 to 90 days.

10. Cash and cash equivalents

	2026 R'm	2025 R'm
Bank balances (current accounts)	148,0	183,2
Controlled Foreign Currency (CFC) accounts	58,4	111,0
Petty cash	0,4	0,3
TOTAL CASH AND CASH EQUIVALENTS	206,8	294,5

11. Share capital and premium

	2026 R'm	2025 R'm
SHARE CAPITAL		
Authorised		
Ordinary share capital		
960 000 000 (2025: 960 000 000) ordinary shares of 5 cents each	48,0	48,0
TOTAL AUTHORISED SHARE CAPITAL	48,0	48,0
Issued		
341 649 966 (2025: 340 146 466) ordinary shares of 5 cents each	16,3	16,3
TOTAL ISSUED SHARE CAPITAL	16,3	16,3
SHARE PREMIUM		
Balance at end of year	263,1	263,1
TOTAL ISSUED SHARE CAPITAL AND PREMIUM	279,4	279,4
TREASURY SHARES		
Balance at end of year	(75,8)	(75,8)

	2026 Number	2025 Number
The number of ordinary shares in issue is as follows:		
Total issued shares	341 649 966	340 146 466
Less: Shares held by the Company's subsidiary, and restricted shares held by participants of the AVI Limited Deferred Bonus Share Plan	(6 285 393)	(7 994 118)
	335 364 573	332 152 348

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

12. Reserves

	2026 R'm	2025 R'm
The balance at end of year comprises:		
Cash flow hedging reserve	10,9	(16,5)
Actuarial reserve	41,2	48,1
Foreign currency translation reserve	(54,9)	(53,7)
Share-based payment reserve	981,2	857,5
Share buy-back reserve	(373,5)	(373,5)
	604,9	461,9

Cash flow hedging reserve

The reserve represents the Group's portion of the cumulative net change in the fair value of cash flow hedging instruments relating to hedged transactions falling due in the future.

Actuarial reserve

The reserve comprises the cumulative actuarial gains/losses in respect of the Group's post-retirement medical aid liability which have been recognised directly in other comprehensive income after taxation. Realisation of this reserve will not be reclassified to profit or loss.

Foreign currency translation reserve

The reserve comprises the cumulative foreign exchange differences arising as a result of the translation of foreign operations.

Share-based payment reserve

The reserve comprises the fair value of equity instruments granted to Group employees, net of tax on deductible recharges. The fair value of the instruments are measured at grant date using generally accepted valuation techniques after taking into account the terms and conditions upon which the instruments were granted.

Share buy-back reserve

The reserve represents the reversal of share premium relating to the delisting and cancellation of treasury shares.

13. Lease liabilities

	2026 R'm	2025 R'm
Lease liabilities	525,1	551,3
Less: portion repayable within one year included in current borrowings (Note 15)	(133,8)	(133,5)
Lease liabilities (Non-current portion)	391,3	417,8

Lease liabilities mostly relate to the Group's retail businesses which lease all their retail stores. The Group also leases a number of other commercial and industrial sites. Lease liabilities represent the financial obligation of the Group to make lease payments to landlords to use the underlying leased premises, or right-of-use assets, during the lease term. The majority of retail leases cover a period of three to five years and some include an option to renew on expiry. The lease term includes this renewal period if the Group is reasonably certain it will exercise the renewal option, taking into account factors such as store location, historical store performance and the value of lease payments in the renewal period. Further to this, the likelihood of exercising a termination option, if applicable, is considered in determining the lease term.

The discount rate used to determine the present value of future lease payments is generally based on the lessee's incremental borrowing rate, as in most instances, the interest rate implicit in the lease cannot be readily determined. The discount rate applied to new leases concluded during the year varied between 8,63% and 9,86% (2025: 9,39% and 10,88%).

13. Lease liabilities continued

Total cash outflow for leases in the current period

	2026 R'm	2025 R'm
Finance costs (Note 21)	47,3	45,4
Capital portion	141,5	150,6
TOTAL CASH OUTFLOW FOR LEASES	188,8	196,0

The cost relating to variable lease payments, short-term leases and leases of low-value assets is disclosed as part of Note 19.

The maturity analysis of lease liabilities is disclosed in Note 36.4.

No commitments for variable lease payments have been disclosed due to these being subject to the fulfilment of specific conditions which are uncertain at reporting date.

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

14. Employee benefit liabilities

	2026 R'm	2025 R'm
Post-retirement medical aid obligation	320,5	309,9
Earnings-linked performance bonus liabilities	40,0	62,6
I&J Black Staff Employee Benefit Scheme liability (Note 33)	2,2	2,3
	362,7	374,8
Amount payable within one year included in trade and other payables (Note 17)	(57,9)	(74,8)
	304,8	300,0
POST-RETIREMENT MEDICAL AID OBLIGATION		
Reconciliation of benefit obligation recognised on the balance sheet		
Balance at beginning of year	309,9	323,8
Recognised in profit or loss – operating profit	31,2	37,1
– Current service cost	0,5	0,7
– Interest cost	30,7	36,4
Actuarial loss/(gain) recognised in other comprehensive income	9,4	(20,7)
Contributions paid	(30,0)	(30,3)
BALANCE AT END OF YEAR	320,5	309,9
Actuarial gain recognised directly in other comprehensive income		
Net cumulative amount at beginning of year	(48,1)	(33,0)
Recognised during the year	9,4	(20,7)
Deferred tax thereon	(2,5)	5,6
NET CUMULATIVE AMOUNT AT END OF YEAR	(41,2)	(48,1)

The Group has an obligation to provide certain post-retirement medical aid benefits to certain eligible employees and pensioners. The entitlement to these benefits for current employees is dependent upon the employee remaining in service until retirement age. The post-retirement medical aid contributions liability is based on an actuarial valuation.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

14. Employee benefit liabilities continued

The principal actuarial assumptions used were:

	2026 %	2025 %
Discount rate	8,5	10,5
Medical inflation	6,3	7,0

Assumed healthcare cost inflation rates have a significant effect on the actuarially determined defined benefit obligation. A one percentage point change in assumed healthcare cost inflation rates would have the following effects:

	One percentage point increase R'm	One percentage point decrease R'm
Increase/(Decrease) in the present value of the actuarially determined defined benefit obligation	27,3	(22,8)
Increase/(Decrease) in the aggregate service and interest cost	2,4	(2,0)

15. Current borrowings including short-term portion of lease liabilities

	2026 R'm	2025 R'm
Short-term borrowings	1 347,8	2 006,4
Current portion of lease liabilities (Note 13)	133,8	133,5
	1 481,6	2 139,9

Interest on short-term borrowings is calculated daily at the daily borrowing rate applicable and payable monthly.

16. Other financial assets/liabilities including derivatives

	2026 R'm	2025 R'm
Forward exchange contract derivative assets	47,4	12,9
Fuel swap derivative assets	13,3	0,8
OTHER FINANCIAL ASSETS INCLUDING DERIVATIVES	60,7	13,7
Forward exchange contract derivative liabilities	25,0	35,4
Fuel swap derivative liabilities	0,1	3,5
OTHER FINANCIAL LIABILITIES INCLUDING DERIVATIVES	25,1	38,9

17. Trade and other payables

	2026 R'm	2025 R'm
Trade payables	1 143,6	1 046,5
Customer contract liabilities	30,0	31,4
Employee-related provisions	292,0	295,4
Employee benefits falling due within one year (Note 14)	57,9	74,8
Other payables and accrued expenses	357,0	368,4
	1 880,5	1 816,5

Terms and conditions of significant trade and other payables:

- Trade accounts are non-interest bearing and are normally settled within one month.
- Other payables and accrued expenses are non-interest bearing and are normally settled within six months.

Customer contract liabilities relate to cash received in advance from customers for lay-by sales and gift card purchases within the Group's retail businesses. Total revenue recognised from completed lay-by sales and redeemed gift cards for the year is R417,8 million (2025: R404,7 million).

18. Revenue

	2026 R'm	2025 R'm
Revenue from contracts with customers comprises the following:		
– Sale of goods	16 065,7	15 847,4
– Services, fees, commissions and royalties	174,6	174,1
	16 240,3	16 021,5

Disaggregation of revenue

Disaggregation of revenue from contracts with customers ("revenue") into categories that depict the nature, amount, timing and uncertainty of revenue.

The following table sets out revenue by geographical market:

Geographical market	2026							Total R'm
	Entyce Beverages R'm	Snackworks R'm	I&J R'm	Personal Care R'm	Footwear & Apparel R'm	Corporate R'm	Consolidation R'm	
South Africa	4 595,6	5 085,8	896,8	800,1	1 634,9	173,9	(173,9)	13 013,2
Other African countries	557,8	595,9	59,7	76,9	17,5	–	–	1 307,8
Europe	1,8	7,0	1 462,0	–	–	–	–	1 470,8
Rest of the world	8,9	28,3	411,3	–	–	–	–	448,5
TOTAL	5 164,1	5 717,0	2 829,8	877,0	1 652,4	173,9	(173,9)	16 240,3

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

18. Revenue continued

Geographical market	2025							Total R'm
	Entyce Beverages R'm	Snackworks R'm	I&J R'm	Personal Care R'm	Footwear & Apparel R'm	Corporate R'm	Consolidation R'm	
South Africa	4 719,9	4 948,8	827,7	844,9	1 607,8	175,0	(175,0)	12 949,1
Other African countries	568,1	627,3	54,0	79,4	11,4	–	–	1 340,2
Europe	1,1	6,3	1 227,5	–	–	–	–	1 234,9
Rest of the world	9,3	29,4	458,6	–	–	–	–	497,3
TOTAL	5 298,4	5 611,8	2 567,8	924,3	1 619,2	175,0	(175,0)	16 021,5

The majority of revenue comprises revenue from the sale of goods. Less than 2% (2025: less than 2%) of total revenue comprises income arising from service agreements, rental agreements and trademark licence agreements.

19. Operating profit before capital items

	2026 R'm	2025 R'm
In arriving at operating profit before capital items, the following have been taken into account:		
Amortisation	10,4	11,4
– Fishing rights	0,7	0,6
– Computer software	6,7	7,6
– Trademarks	3,0	3,2
Depreciation of property, plant and equipment	447,9	414,5
– Buildings	29,9	26,1
– Plant, equipment and vehicles	316,9	298,7
– Vessels	101,1	89,7
Depreciation of right-of-use assets	151,0	161,4
– Retail stores and storerooms	111,9	117,9
– Other commercial and industrial sites	39,1	43,5
Total depreciation (included in both cost of sales and selling and administrative expenses)	598,9	575,9
TOTAL DEPRECIATION AND AMORTISATION	609,3	587,3
Auditor's remuneration		
– Fees for audit	14,6	13,6
– Fees for other services	0,6	0,5
– Taxation services and consultations	0,2	0,1
– Other	0,4	0,4
Employment costs (Note 32)	3 466,9	3 479,5
Lease expenses	15,2	15,3
– Variable lease payments – turnover rental	5,6	3,4
– Short-term leases	9,1	11,3
– Leases of low-value assets	0,5	0,6
Research and development costs	56,3	51,1
Foreign exchange gains	(51,7)	(67,9)

20. Interest received

	2026 R'm	2025 R'm
Interest income on cash and cash equivalents and other investments at amortised cost	5,0	10,1

21. Finance costs

Interest expense on borrowings at amortised cost	(148,8)	(191,4)
Interest expense on lease liabilities (Note 13)	(47,3)	(45,4)
	(196,1)	(236,8)

22. Share of equity-accounted loss of joint venture

Equity-accounted loss of non-significant joint venture	–	(0,3)
--	---	-------

23. Capital items

Net (profit)/loss on disposal of property, plant and equipment	(0,8)	0,2
Impairment of property, plant and equipment (Note 1)	–	0,5
Impairment of right-of-use assets (Note 2)	–	0,8
Joint venture capital profit	–	(12,6)
	(0,8)	(11,1)
Attributable taxation (Note 24)	0,2	(0,4)
	(0,6)	(11,5)

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

24. Taxation

	2026 R'm	2025 R'm
Current income tax	931,3	866,4
Deferred taxation	19,8	36,2
– Current temporary differences	19,8	36,2
Withholding tax	16,0	14,0
Prior year under/(over) provisions		
– Current	0,3	(0,8)
– Deferred	(0,4)	0,5
	967,0	916,3
Dealt with as follows:		
In respect of profit before capital items	966,8	916,7
In respect of capital items (Note 23)	0,2	(0,4)
	967,0	916,3
Foreign taxation included in the above	54,4	53,2

The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes. The Group has reviewed its corporate structure in light of the introduction of Pillar Two Model Rules in various jurisdictions. Since the Group's effective tax rate is well above 15% in all jurisdictions in which it operates, the Group has assessed that there is no current tax impact and is not required to pay Pillar Two "top-up" taxes.

	2026 %	2025 %
RECONCILIATION OF RATE OF TAXATION		
Standard rate of company taxation	27,0	27,0
Increase in effective rate as a result of:		
– Disallowable expenditure	0,2	0,1
– Expenses attributable to exempt income earned	0,1	0,1
– Other	0,1	–
– Exempt income	(0,1)	(0,1)
– Special tax allowances	(0,1)	(0,1)
– Withholding tax	0,4	0,4
– Utilisation of assessed loss not recognised previously	–	0,1
EFFECTIVE RATE OF TAXATION FOR THE YEAR	27,4	27,4

25. Cash generated by operations

	2026 R'm	2025 R'm
Profit before tax	3 529,6	3 346,0
Adjusted for:		
– Interest received	(5,0)	(10,1)
– Finance costs	196,1	236,8
– Share of equity-accounted loss of joint venture	–	0,3
– Capital items	(0,8)	(11,1)
– Depreciation of property, plant and equipment	447,9	414,5
– Depreciation of right-of-use assets	151,0	161,4
– Amortisation of intangible assets	10,4	11,4
– Foreign currency translations	(7,3)	15,5
– Cash-settled share-based payments	5,4	2,6
– Equity-settled share-based payments	88,4	102,4
– Movement in provisions and other non-cash items ¹	51,3	(53,1)
Cash generated by operations before working capital changes	4 467,0	4 216,6
Changes in working capital ² :	(59,6)	(230,8)
Increase in inventories and biological assets	(76,0)	(114,6)
Increase in trade and other receivables	(66,3)	(66,7)
Increase/(Decrease) in trade and other payables	82,7	(49,5)
Cash generated by operations	4 407,4	3 985,8

¹ Includes, among others, non-cash movements in biological assets, fuel swap derivatives, inventory obsolescence provisions, impairment loss allowances, Post Retirement Medical Aid ("PRMA") liability and short-term and long-term bonus accruals and leave pay accruals, offset by related cash payments.

² The net movement in working capital has been adjusted to take account of the foreign exchange differences and other non-cash items.

26. Taxation paid

	2026 R'm	2025 R'm
Amount owing at beginning of year	31,7	41,9
Amount prepaid at beginning of year	(9,3)	(6,5)
Net amount owing at beginning of year	22,4	35,4
	947,6	879,5
Charge per profit or loss	967,0	916,3
Deferred taxation included therein (Note 6)	(19,4)	(36,8)
Effect of movement in foreign exchange rates	1,1	(0,1)
Net amount owing at end of year	(40,1)	(22,4)
Amount owing at end of year	(41,7)	(31,7)
Amount prepaid at end of year	1,6	9,3
AMOUNT PAID DURING YEAR	931,0	892,4

27. Other cash flows (to)/from investments

Cash flow to Enterprise and Supplier Development initiatives	(2,0)	(1,0)
Dividends received from joint venture	0,1	23,0
	(1,9)	22,0

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

28. Changes in liabilities arising from financing activities

		CASH FLOWS		NON-CASH CHANGES				
	Balance at 1 July 2025 R'm	Capital R'm	Interest R'm	Effect of movement in exchange rates R'm	New leases R'm	Impact of lease modifications and remeasurements R'm	Interest accrued R'm	Balance at 30 June 2026 R'm
Short-term borrowings	2 006,4	(658,6)	(148,8)	–	–	–	148,8	1 347,8
Lease liabilities	551,3	(141,5)	(47,3)	(4,5)	125,3	(5,5)	47,3	525,1
	2 557,7	(800,1)	(196,1)	(4,5)	125,3	(5,5)	196,1	1 872,9

		CASH FLOWS		NON-CASH CHANGES				
	Balance at 1 July 2024 R'm	Capital R'm	Interest R'm	Effect of movement in exchange rates R'm	New leases R'm	Impact of lease modifications and remeasurements R'm	Interest accrued R'm	Balance at 30 June 2025 R'm
Short-term borrowings	1 229,2	777,2	(191,4)	–	–	–	191,4	2 006,4
Lease liabilities	542,9	(150,6)	(45,4)	(0,4)	150,9	8,5	45,4	551,3
	1 772,1	626,6	(236,8)	(0,4)	150,9	8,5	236,8	2 557,7

29. Earnings and headline earnings

	2026		2025	
	Gross R'm	Net of tax R'm	Gross R'm	Net of tax R'm
The calculations of earnings and headline earnings per ordinary share are based on a weighted average of 333 626 998 (2025: 331 671 159) ordinary shares in issue.				
The diluted earnings and headline earnings per share are calculated based on a weighted average of 337 101 300 (2025: 336 905 394) ordinary shares.				
DETERMINATION OF HEADLINE EARNINGS				
Earnings attributable to owners of AVI		2 562,6		2 429,7
Adjustment for capital items	(0,8)	(0,6)	(11,1)	(11,5)
Net (gain)/loss on disposal of property, plant and equipment	(0,8)	(0,6)	0,2	0,1
Gain on disposal of vessels/rights in Umsobomvu joint venture (Note 4)	–	–	(12,6)	(12,6)
Impairment of property, plant and equipment (Note 1)	–	–	0,5	0,4
Impairment of right-of-use assets (Note 2)	–	–	0,8	0,6
HEADLINE EARNINGS		2 562,0		2 418,2

29. Earnings and headline earnings continued

	2026 Number	2025 Number
RECONCILIATION OF WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES		
Issued shares at beginning of year	340 146 466	338 965 477
Own shares held by the Company's subsidiary, and restricted shares held by participants of the AVI Limited Deferred Bonus Share Plan	(7 965 772)	(8 015 107)
Effect of new shares issued externally during the year	–	64 609
Effect of treasury shares sold in July – September	71 099	–
Effect of treasury shares sold in October – December	1 203 119	618 181
Effect of treasury shares sold in January – March	5 825	21 448
Effect of treasury shares sold in April – June	166 261	16 551
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	333 626 998	331 671 159
Effect of the Revised AVI Limited Executive Share Incentive Scheme instruments outstanding during the year	874 608	1 293 095
Effect of the AVI Limited Deferred Bonus Share Plan instruments outstanding during the year	837 620	2 208 862
Effect of the AVI Limited Out-Performance Scheme instruments outstanding during the year	1 762 074	1 732 278
WEIGHTED AVERAGE DILUTED NUMBER OF ORDINARY SHARES	337 101 300	336 905 394

In determining the dilutive effect of these options, the IFRS 2 – *Share-Based Payment* charge not yet expensed is added to the exercise price.

	2026 Cents	2025 Cents
Earnings per ordinary share	768,1	732,6
Diluted earnings per ordinary share	760,2	721,2
Headline earnings per ordinary share	767,9	729,1
Diluted headline earnings per ordinary share	760,0	717,8

30. Dividends paid

	2026 R'm	2025 R'm
Ordinary shares		
No.104 of 388 cents, paid 21 October 2024		1 300,0
No.105 of 280 cents, paid 21 October 2024 (special dividend)		938,1
No.106 of 220 cents, paid 14 April 2025		737,3
No.107 of 406 cents, paid 20 October 2025	1 366,2	
No.108 of 245 cents, paid 13 April 2026	825,0	
	2 191,2	2 975,4
Ordinary final dividend No.109 of 418 cents in respect of the year ended 30 June 2026 and a special dividend No. 110 of 300 cents per share were declared on 4 September 2026 and is payable on 19 October 2026. This will be at the following cost after taking account of the ordinary shares in issue at the date of approval of the Annual Report.	2 417,8	

The dividends have been declared out of income reserves and are subject to dividend withholding tax at a rate of 20% in respect of those shareholders who are not exempt from paying dividend withholding tax.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

31. Commitments

	2026 R'm	2025 R'm
CAPITAL COMMITMENTS		
Capital expenditure authorised by the directors:		
PROPERTY, PLANT AND EQUIPMENT		
– Contracted for	170,6	103,8
– Not contracted for	65,8	35,7
	236,4	139,5

It is anticipated that this expenditure will be financed by cash resources, cash generated from operating activities and existing borrowing facilities.

Other contractual commitments have been entered into in the normal course of business.

32. Employee benefits

	2026 R'm	2025 R'm
Employment costs	3 466,9	3 479,5
Short-term employment benefits	3 091,4	3 074,1
Termination benefits	27,2	37,3
Retirement benefits (Note 32.1)	198,3	191,6
Post-retirement medical aid costs (Note 14)	31,2	37,1
Share-based payment expense – equity-settled (Note 32.3)	88,4	102,4
Share-based payment expense – cash-settled (Note 32.3)	6,0	2,6
Long-term earnings-linked performance bonus expense (Note 14)	24,5	34,2
I&J Black Staff Employee Benefit Scheme (income)/expense (Note 33)	(0,1)	0,2

32.1 Retirement benefits

The Group provides retirement benefits for its eligible employees. Of the Group's 8 680 (2025: 9 108) employees, 7 273 (2025: 7 390) are members of defined contribution Group pension and provident funds or state-administered funds in other jurisdictions. South African funds are governed by the Pension Funds Act 1956, as amended. Other funds are governed by the respective legislation of the countries concerned. The contributions paid by the Group companies for retirement benefits are charged to profit or loss as they are incurred, and amounted to R198,3 million (2025: R191,6 million).

32. Employee benefits continued

32.2 Share incentive schemes

The interests of the directors are given on page 140 in the directors' remuneration report.

A summary of the movements in share incentive instruments is set out in the tables below:

The Revised AVI Limited Executive Share Incentive Scheme

The Revised AVI Limited Executive Share Incentive Scheme was approved by shareholders at the Annual General Meeting held on 3 November 2016 and replaced the AVI Limited Executive Share Incentive Scheme. Eligible participants are awarded share appreciation rights, which vest after the completion of a three-year service period, subject to the satisfaction of a performance condition, namely that the AVI return on capital employed over the period exceeds the weighted average cost of capital. Upon vesting, participants are entitled to exercise their awards by receiving AVI shares equal to the increase in value of their awards between award date and exercise date. The cost of these AVI shares is funded by way of contributions from employer companies in respect of participants who are their employees.

Date of award	Award price per instrument R	Instruments outstanding at 30 June 2025 number	Awarded number	Exercised/ Lapsed number	Relinquished ¹ / forfeited number	Instruments outstanding at 30 June 2026 number
1 October 2020	74,52	8 860	–	(8 860)	–	–
1 April 2021	73,85	408 234	–	(408 234)	–	–
1 October 2021	86,04	59 997	–	(46 100)	–	13 897
1 April 2022	69,23	575 510	–	(107 705)	–	467 805
1 October 2022	73,43	537 932	–	(507 979)	–	29 953
1 April 2023	66,48	1 341 620	–	(714 496)	(74 736)	552 388
1 October 2023	75,20	630 217	–	(15 516)	(12 089)	602 612
1 April 2024	91,54	624 493	–	(3 238)	(207 096)	414 159
1 October 2024	108,00	208 792	–	(1 799)	(59 030)	147 963
1 April 2025	89,87	1 008 842	1 869 ²	(1 187)	(62 247)	947 277
1 October 2025	100,55	–	308 952	–	(37 884)	271 068
1 April 2026	103,22	–	933 381	–	–	933 381
		5 404 497	1 244 202	(1 815 114)	(453 082)	4 380 503
Weighted average award price (R)		78,13	102,54	70,96	89,64	86,85
Weighted average exercise price on date of exercise (R)				101,17		

The weighted average remaining contractual life of instruments outstanding as at 30 June 2026 is 1,3 years (2025: 1,2 years).

¹ The number of relinquished instruments represents instruments sacrificed in favour of AVI Limited Out-Performance Scheme options in terms of the rules of the AVI Limited Out-Performance Scheme.

² During the current year, an additional allocation was made in respect of the 1 April 2025 award following the correction of an administrative omission in the original allocation schedule. The amendment was approved by the Remuneration Committee and corrected before the affected tranche vested.

The share appreciation rights are available to be exercised in their entirety three years after the effective date of granting of awards, subject to the performance condition being met. Any rights not exercised by the fifth anniversary of such date will lapse. Exercises in any period prior to vesting in the third year represent the portion allowed to be exercised on retirement, death, disability or retrenchment.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

32. Employee benefits continued

32.2 Share incentive schemes continued

The AVI Limited Out-Performance Scheme

Eligible participants are awarded notional shares, which vest after the completion of a three-year service period, and are converted to AVI shares subject to AVI's performance against an identified peer group over the vesting period.

The scheme is based on a Total Shareholder Return ("TSR") measure. TSR is the increase in value of shares after the notional reinvestment of all distributions. Allocations of notional shares are made in conjunction with the identification of the peer group against which that tranche will be measured.

At the measurement date in respect of each tranche:

- AVI's TSR and the TSR of each peer in the peer group for that tranche will be determined;
- the TSR of each peer in the peer group will be ranked in ascending order in 10 performance deciles;
- depending on the peer group decile within which AVI's TSR is ranked, a vesting multiple of between 0 times and 3,6 times will be applied to the notional shares to determine the number of shares allocated to the participant upon vesting. No shares vest if AVI's TSR is ranked below the 50th peer group percentile.

Upon vesting, each participant will receive the AVI shares due to them. The cost of the AVI shares is funded by way of contributions from employer companies in respect of participants who are their employees.

As the allocation of awards is a notional allocation, the notional shares so allocated will not attract any dividends or voting rights in the hands of participants until vested.

Date of award	Award price per instrument R	Instruments outstanding at 30 June 2025 number	Awarded number	Exercised number	Forfeited number	Instruments outstanding at 30 June 2026 number
1 October 2022	72,99	399 215	–	(399 215)	–	–
1 October 2023	74,00	551 937	–	–	(52 224)	499 713
1 October 2024	104,87	413 635	–	–	(56 118)	357 517
1 October 2025	96,62	–	378 530	–	(19 199)	359 331
		1 364 787	378 530	(399 215)	(127 541)	1 216 561
Weighted average award price (R)		83,06	96,62	72,99	90,99	89,75
Weighted average share price on date of exercise (R)				98,23		

The weighted average remaining contractual life of instruments outstanding as at 30 June 2026 is 1,1 years (2025: 1,3 years).

All notional shares vest three years after award date. Notional shares are converted to AVI shares only if the performance requirements are met on the vesting date.

The AVI Limited Deferred Bonus Share Plan

The AVI Limited Deferred Bonus Share Plan was approved by shareholders at the Annual General Meeting held on 3 November 2016. The value of the awards allocated is determined with reference to each eligible participant's annual bonus (earned under the Group's short-term bonus incentive framework). A portion of the annual bonus is paid in cash while the deferred element is settled in equity as AVI shares and is subject to a three-year service period before vesting, during which period the bonus shares remain restricted. These shares are held by an escrow agent on behalf of participants during this vesting period. Participants are, however, eligible to receive dividends and vote at shareholder meetings.

32. Employee benefits continued

32.2 Share incentive schemes continued

Date of award	Award price per instrument R	Instruments outstanding at 30 June 2025 number	Awarded number	Exercised number	Forfeited number	Instruments outstanding at 30 June 2026 number
1 October 2022	73,43	514 329	–	(510 385)	(3 944)	–
1 June 2023	63,58	1 474 738	–	(1 353 271)	(121 467)	–
1 October 2023	75,20	575 204	–	(13 044)	(31 729)	530 431
1 October 2024	108,00	501 172	–	(5 382)	(30 080)	465 710
1 October 2025	100,55	–	310 245	(98)	(13 063)	297 084
		3 065 443	310 245	(1 882 180)	(200 283)	1 293 225
Weighted average award price (R)		74,68	100,55	66,46	74,70	92,84
Weighted average share price on date of exercise (R)				95,97		

The weighted average remaining contractual life of instruments outstanding as at 30 June 2026 is 1,1 years (2025: 1,1 years).

Upon vesting, the shares become unrestricted in the hands of participants. The cost of the AVI shares is funded by way of contributions from employer companies in respect of participants who are their employees.

The vesting of shares prior to the completion of the three-year restriction period represents the portion allowed to vest on retirement, death, disability or retrenchment.

The AVI Limited Full Value Cash-settled Phantom Share Incentive Scheme

The AVI Limited Full Value Cash-settled Phantom Share Incentive Scheme was approved by the Remuneration Committee on 14 November 2023. Eligible participants are awarded notional shares, which vest after the completion of a three-year service period, subject to the satisfaction of the following performance conditions:

- the average return on invested capital exceeds the weighted average cost of capital by a factor of 1,25 over the three-year vesting period; and
- the average cash generated by operations exceeds 75% of earnings before interest, taxes, depreciation and amortisation over the three-year vesting period.

Date of award	Award price per instrument R	Instruments outstanding at 30 June 2025 number	Awarded number	Exercised number	Forfeited number	Instruments outstanding at 30 June 2026 number
1 April 2024	91,54	42 939	–	(2 621)	(5 261)	35 057
1 October 2024	108,00	51 976	–	(865)	(2 253)	48 858
1 April 2025	89,87	49 251	–	(2 850)	(6 108)	40 293
1 October 2025	100,55	–	54 931	–	(592)	54 339
1 April 2026	103,22	–	39 486	–	–	39 486
		144 166	94 417	(6 336)	(14 214)	218 033
Weighted average award price (R)		96,90	101,67	93,04	93,81	99,28
Weighted average share price on date of exercise (R)				103,68		

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

32. Employee benefits continued

32.2 Share incentive schemes continued

The AVI Limited Full Value Cash-settled Phantom Share Incentive Scheme continued

The weighted average remaining contractual life of instruments outstanding as at 30 June 2026 is 1,8 years (2025: 2,3 years).

Upon vesting, each participant will receive the full value of the notional shares in cash. The notional shares are available to be exercised in their entirety three years after the effective date of granting of awards, subject to the performance conditions being met. Any rights not exercised immediately will lapse. Exercises in any period prior to vesting in the third year represent the portion allowed to be exercised on retirement, death, disability or retrenchment.

The AVI Black Staff Empowerment Scheme

The AVI Black Staff Empowerment Scheme was established to provide certain full-time black employees of the Group with the opportunity of acquiring shares in the capital of the Company, and has been incorporated within the AVI Black Staff Empowerment Scheme Holding Trust ("the Trust"). The purchase of shares by the Trust for the purpose of the scheme was funded by way of loans from employer companies in respect of participants who were their employees.

Participants were granted a right to purchase ordinary AVI shares equal to the number of options awarded in three equal tranches after the fifth, sixth and seventh anniversaries of acceptance of the offer by the participant. The right to purchase was subject to the settlement of the exercise price by the participant and the express condition that the participant was still an employee at the relevant exercise date. The final allocation was made in December 2011 and the final tranche vested on 31 December 2018. The scheme established in terms of the Trust deed has terminated and no further allocations will be made.

The remaining share options at 30 June 2026 in respect of good leavers have lapsed in terms of the scheme rules. These options remain unexercised despite ongoing attempts to trace the affected participants. The Trustees have, however, resolved to allow these participants to exercise their share options should they be traced in future.

	2026 Number	2025 Number
Remaining share options	40 124	40 124

Restrictions

Ordinary shares in the authorised and unissued capital of the Company were placed under the control of the directors with specific authority to allot and issue them in terms of the Company's existing share incentive schemes ("the schemes"). The total number of share instruments, options or instruments convertible into ordinary shares which may be allocated for purposes of the schemes are detailed in the table below:

Share incentive scheme	Authorised number	% of total issued share capital*	Remaining authorised but not issued number
Revised AVI Limited Executive Share Incentive Scheme	5 213 369	1,5	4 602 708
AVI Limited Deferred Bonus Share Plan	4 819 747	1,5	4 509 363
AVI Limited Out-Performance Scheme	6 915 158	2,0	2 949 498
TOTAL	16 948 274	5,0	12 061 569

* As at date authority was granted.

32. Employee benefits continued

32.3 Share-based payments

The fair value of the equity instruments is measured as follows:

Revised AVI Limited Executive Share Incentive Scheme	Black-Scholes valuation model
AVI Limited Out-Performance Scheme	Black-Scholes and Monte Carlo valuation methodology
AVI Limited Deferred Bonus Share Plan	Award date market price of shares
AVI Limited Full Value Cash-settled Phantom Share Incentive Scheme	Award date market price of shares

The contractual life of the equity instruments is used as an input into the model. The equity instruments are granted under a service condition and expected attrition is considered in estimating the number of options expected to vest.

The fair value of the estimated number of options expected to vest is expensed over the vesting period of the underlying equity instrument. In the event of accelerated vesting, the remaining fair value of the vested instruments is expensed in the period of vesting.

Assumptions applied in arriving at fair value of instruments issued during the year	2026	2025
EQUITY INSTRUMENTS ISSUED BY THE REVISED AVI LIMITED EXECUTIVE SHARE INCENTIVE SCHEME		
Fair value at grant date	R14,52 – R14,69	R15,07 – R17,19
Share price	R76,94 – R80,74	R69,47 – R83,28
Exercise price	R100,55 – R103,22	R89,87 – R108,00
Expected volatility	19,6% – 22,4%	22,4%
Option life	3,5 years	3,5 years
Dividend yield	2,45% – 4,06%	2,20% – 6,68%
Risk-free interest rate	9,17% – 9,32%	10,05% – 10,63%
EQUITY INSTRUMENTS ISSUED BY THE AVI LIMITED OUT-PERFORMANCE SCHEME		
Fair value at grant date	R34,31	R42,28
Share price	R96,62	R104,87
Option life	3 years	3 years
Dividend yield	7,0%	5,9%
Risk-free interest rate	9,96%	10,05%
Expected mean TSR performance	7,2%	5,8%
EQUITY INSTRUMENTS ISSUED BY THE AVI LIMITED DEFERRED BONUS SHARE PLAN		
Share price	R100,55	R108,00
NOTIONAL INSTRUMENTS ISSUED BY THE AVI LIMITED FULL VALUE CASH-SETTLED PHANTOM SHARE INCENTIVE SCHEME		
Share price	R100,55 – R103,22	R89,87 – R108,00
Option life	3 years	3 years
Dividend yield	7,0%	7,0%
Risk-free interest rate	8,44%	9,96%

The expected volatility is based on the average volatility over a period of six months prior to grant date or measurement date.

The GSAB 10-year index was used to determine a risk-free interest rate at grant date or measurement date.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

32. Employee benefits continued

32.3 Share-based payments continued

	2026 R'm	2025 R'm
EQUITY-SETTLED SHARE-BASED PAYMENT EXPENSE		
Revised AVI Limited Executive Share Incentive Scheme	15,0	19,5
AVI Limited Out-Performance Scheme	12,5	12,3
AVI Limited Deferred Bonus Share Plan	60,9	70,6
	88,4	102,4
CASH-SETTLED SHARE-BASED PAYMENT EXPENSE		
AVI Limited Full Value Cash-settled Phantom Share Incentive Scheme	6,0	2,6
	6,0	2,6

33. Broad-Based Black Economic Empowerment ("BBBEE") transactions

A staff scheme was implemented at I&J Limited (a subsidiary of Irvin & Johnson Holding Company Proprietary Limited ("I&J HoldCo")) in December 2021. Through the introduction of this scheme 6,25% of the shareholding in I&J Limited was issued to the I&J Staff Holding Company Proprietary Limited ("I&J Staff HoldCo"), a company owned by the South African black employees of the I&J Group and its fellow subsidiaries. As part of the implementation of the scheme, I&J Staff HoldCo obtained notional vendor finance ("NVF") from I&J Limited to fund the purchase consideration of R38,5 million.

With effect from 1 July 2023, Twincitiesworld (Pty) Ltd ("Twincitiesworld"), a 100% black-owned company, acquired an 18,75% interest in I&J Limited. The consideration for the issue of shares amounted to R115,5 million and was funded by I&J HoldCo subscribing for cumulative redeemable preference shares in Twincitiesworld.

The Twincitiesworld Memorandum of Incorporation allows for the payment of ordinary dividends to Twincitiesworld's shareholders out of dividends received by Twincitiesworld from I&J Limited, with the balance paid as preference dividends to I&J HoldCo. Furthermore, the shareholders' agreement provides for put and call options between I&J HoldCo and Twincitiesworld, the exercise price of which is determined by a fixed formula based on I&J Limited's earnings.

As a result of the above arrangements the effective direct BBBEE shareholding in I&J Limited is 25% (2025: 25%).

The Group has adopted the following principles in accounting for the transactions referred to above:

Accounting recognition of the non-controlling interests in I&J

Notwithstanding that the BBBEE transactions have been completed and that the BBBEE shareholders have beneficial ownership and voting control over their 25% shareholding, the accounting recognition in the Group's consolidated financial statements of a non-controlling interest in respect of shares held by the BBBEE company in I&J Limited is deferred until such shares in I&J Limited are regarded as issued outside of the Group in terms of the control principles of IFRS 10 – *Consolidated Financial Statements*.

I&J Staff HoldCo

The I&J Staff HoldCo shareholders' agreement provides for the payment of ordinary dividends equal to 10% of dividends received from I&J Limited, to the I&J Staff HoldCo's shareholders (who are employees of I&J Group and its fellow subsidiaries). Furthermore, the I&J Staff HoldCo Memorandum of Incorporation provides for a call option whereby I&J HoldCo can acquire I&J Staff HoldCo's shareholding from I&J Limited from 1 July 2036, and a put option whereby the shareholders of I&J Staff HoldCo could require the I&J HoldCo to purchase their shareholding in I&J Staff HoldCo from 28 December 2036.

33. Broad-Based Black Economic Empowerment ("BBBEE") transactions continued

I&J Staff HoldCo continued

The exercise price is determined by a fixed formula per the shareholders' agreement largely based on I&J Limited's earnings performance and the remaining value of the NVF loan balance. The arrangement has been accounted for as an employee benefit liability within the scope of IAS 19 – *Employee Benefits* in the consolidated annual financial statements as ultimately the obligation is to the employees of the Group. The liability (Note 14 – R2,2 million (2025: R2,3 million)) has been measured using the projected unit credit method and an income of R0,1 million (2025: an expense of R0,2 million) has been recognised in the current year. Refer to Note 32.

Twincitiesworld

The various contracts that give rise to the acquisition of the 18,75% interest in I&J Limited (the put and call option, "A" preference shares and purchase of the 18,75% investment in I&J Limited) are considered to be linked and are therefore accounted for as one transaction.

Based on the redemption terms and options, I&J HoldCo also has a settlement choice to settle in cash or allow the put and call options to lapse and effectively render the shares in I&J Limited to vest in Twincitiesworld subject to the redemption of the preference shares.

The Group has a past practise of settling in cash, in terms of previous BBBEE schemes of the Group in I&J HoldCo and I&J Limited. Furthermore it has the intention of settling in cash based upon the commercial rationale of ultimately retaining all of the equity and control of I&J Limited within the Group.

Therefore based on both settlement options outlined above and the past practise and intention of settling such schemes in cash, a cash-settled share-based payment liability is recognised at the fair value of the amount expected to be paid to BBBEE participants.

A cash-settled share-based payment liability of R10,8 million (2025: R14,7 million) has been recognised for the present value of the final option value plus estimated dividends over the remaining period. The fair value is estimated using the Monte Carlo valuation methodology by extrapolating I&J Limited's historical earnings over the remaining vesting period of 10,5 years (2025: 11,5 years), discounted at 14,6% (2025: 14,6%), and will be assessed annually.

	2026	2025
THE INPUTS USED IN THE MONTE CARLO VALUATION METHODOLOGY:		
Fair value of preference share investment at grant date	R115,5 million	R115,5 million
Option life/term	10,5 years	11,5 years
Dividend payout ratio	40%	40%
Expected volatility	109,8%	109,2%
Risk-free interest rate	9,00%	10,56%

34. Cash-settled share based payment liabilities

	2026 R'm	2025 R'm
AVI Limited Full Value Cash-settled Phantom Share Incentive Scheme (Note 32.2)	8,1	2,8
I&J BBBEE cash-settled share-based payment liability (Note 33)	10,8	14,7
Less: portion repayable within one year	(2,5)	–
Long-term portion of cash-settled share-based payment liabilities	16,4	17,5

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

35. Related party transactions

	2026 R'm	2025 R'm
TRANSACTIONS WITH GROUP ENTITIES		
Dividends received from joint venture	–	23,0
Payments to AVI Limited Pension Fund	116,2	117,4
Payments to AVI Limited Provident Fund	150,4	149,5

Details of the significant subsidiaries are given on page 216.

Material shareholders

The Company does not have a holding company.

Ordinary shares

The beneficial holders of 3% or more of the issued ordinary shares of the Company at 30 June 2026, according to the information available to the directors were:

	Number of ordinary shares	%
Government Employees Pension Fund	64 613 257	18,9
Vanguard Investment Management	13 632 263	4,0

Directors of the Company

Directors' emoluments

The individual directors' emoluments paid in respect of the financial period under review are set out in the directors' remuneration report on page 144.

Directors' service contracts

Standard terms and conditions of employment apply to executive directors, which, inter alia, provide for notice of termination of three months. Non-executive directors conclude service contracts with the Company on appointment. Their term of office is governed by the Memorandum of Incorporation which provides that one-third of the aggregate number of directors will retire by rotation at each Annual General Meeting, but may, if eligible, offer themselves for re-election.

Transactions with key management personnel

The directors of the Company, directors of its subsidiaries and business unit management with executive responsibility have been identified as the key management personnel of the Group.

The key management personnel costs are as follows:

	2026 R'm	2025 R'm
Short-term employee benefits	171,7	211,9
Post-employment benefits	10,1	9,9
Termination benefits	8,7	6,3
Other long-term benefits*	9,9	35,0
Share-based payment benefits	239,5	117,4
	439,9	380,5

* Gains on settlement of long-term earnings-linked performance bonuses.

Executives also participate in the Company's share incentive schemes, details of which are provided in Note 32.

36. Financial risk management

36.1 Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing financial risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of directors has overall responsibility for the establishment and oversight of the Group's financial risk management framework. The AVI Group Treasury, together with the relevant business unit executives, is responsible for developing the relevant financial risk management policies and for monitoring risk.

The Group's financial risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to identify and review changes in market conditions and the Group's activities. The Group aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees management's monitoring of compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the financial risks faced by the Group. The Group Audit Committee is assisted in its oversight role by internal audit.

36.2 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The Board of directors monitors the return on average capital employed, which the Group defines as operating profit before capital items from continuing operations, after taxation, divided by average total shareholders' equity plus net debt.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Group's target, which is determined by the AVI Board, is to achieve a return on average capital employed of at least 120% of the weighted average cost of capital, which was estimated at 11,0% (2025: 10,9%). In 2026 the return was 35,7% (2025: 34,9%). In comparison, the weighted average interest expense on interest-bearing borrowings (excluding liabilities with imputed interest) was 7,9% (2025: 8,9%).

From time to time, the Group purchases its own shares in the market under general authority granted by shareholders; the timing of these purchases depends on market prices. Primarily, the shares are repurchased as part of a programme to return capital to shareholders, but some may be used for issuing shares under the Group's incentive schemes. Buying decisions are made under specific mandates from the executive directors.

There were no changes to the Group's approach to capital management during the year.

The AVI Group is subject to and complies with the following financial covenants required by some of the Group's bankers:

- Consolidated net debt to EBITDA no more than 2,5; and
- Consolidated EBITDA to net finance cost greater than 3,5.

Internal debt limits used by executive management on a day-to-day basis are more conservative than the above.

36.3 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, cash and cash equivalents, loan receivables and other investments.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

36. Financial risk management continued

36.3 Credit risk continued

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Geographically there is concentration of credit risk in the South African market.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represent the maximum open amount; these limits are reviewed annually or when conditions arise that warrant a review. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

Most of the Group's customers have been transacting with the Group for over three years, and losses have occurred infrequently. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a wholesale, retail or end-user customer, geographic location, industry, ageing profile, maturity, existence of previous financial difficulties and existence of current financial difficulties. Trade and other receivables relate mainly to the Group's retail and wholesale customers. Customers that are graded as "high risk" are placed on a restricted customer list, and future sales are made on a prepayment basis. Overdue accounts are put on hold until payments are received to return them to within limits.

Most goods sold are subject to retention of title clauses, so that in the event of non-payment the Group may have a secured claim. The Group does not require collateral in respect of trade and other receivables.

The Group establishes an impairment loss allowance for expected credit losses in respect of trade and other receivables by applying the simplified approach of IFRS 9, measuring the impairment loss allowance based on a lifetime expected credit loss. Further to this, as a practical expedient, the Group applies a provision matrix assessing historical credit losses per aged bucket of trade debtors, grouped into customer segments with similar loss patterns, and overlays this with the Group's assessment of general economic conditions to estimate expected future losses. The assessment of impairment loss allowance takes into account credit enhancements that are part of the contractual terms and are not recognised separately by the Group. The majority of the debtors balance is insured.

Cash and cash equivalents, loan receivables and other investments

The majority of the Group's investments are in liquid securities with counterparties that have sound credit ratings. Where considered necessary, security is sought. Management does not expect any counterparty to fail to meet its obligations.

Guarantees

The Company's policy is to provide limited financial guarantees in respect of banking facilities for subsidiaries. At 30 June 2026 guarantees were in place for AVI Financial Services Proprietary Limited, A&D Spitz Proprietary Limited, Ciro Full Service Beverage Company Proprietary Limited, Green Cross Manufacturers Proprietary Limited, Hampton Sportswear Proprietary Limited, Indigo Brands Proprietary Limited, Indigo Brands Holdings Proprietary Limited, Irvin & Johnson Limited, Irvin & Johnson Aquaculture Proprietary Limited, Irvin & Johnson Holding Company Proprietary Limited, Irvin & Johnson International Proprietary Limited, Irvin & Johnson Property Holding Company Proprietary Limited, National Brands Limited, Nina Roche Shoe Collection Proprietary Limited and Walker Bay Cannery Limited (2025: AVI Financial Services Proprietary Limited, National Brands Limited, Irvin & Johnson Holding Company Proprietary Limited, A&D Spitz Proprietary Limited, Indigo Brands Proprietary Limited, Hampton Sportswear Proprietary Limited, Green Cross Manufacturers Proprietary Limited, Ciro Full Service Beverage Company Proprietary Limited, Irvin & Johnson Aquaculture Proprietary Limited and Irvin & Johnson Property Holding Company Proprietary Limited). There have been no draw downs of the above mentioned guarantees in the current and prior year.

In addition, the Company provides limited sureties for subsidiaries in relation to outstanding debt under the cash management agreement for Group subsidiary companies that participate in the Group's cash management agreement.

36. Financial risk management continued

36.3 Credit risk continued

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	CARRYING AMOUNT	
	2026 R'm	2025 R'm
Long-term receivables	23,9	21,9
Derivatives	60,7	13,7
Trade and other receivables*	2 083,3	2 047,7
Cash and cash equivalents	206,8	294,5
	2 374,7	2 377,8

* Excludes prepayments and VAT receivables.

The maximum exposure to credit risk for trade receivables** for the Group at the reporting date by geographic region was:

	CARRYING AMOUNT	
	2026 R'm	2025 R'm
South Africa	1 438,7	1 503,6
Europe	338,7	302,7
Australasia	34,7	18,9
Rest of Africa	184,8	169,2
Other	33,0	27,1
	2 029,9	2 021,5

The maximum exposure to credit risk for trade receivables** for the Group at the reporting date by type of customer was:

	CARRYING AMOUNT	
	2026 R'm	2025 R'm
Wholesale customers	966,4	1 070,0
Retail customers	926,8	823,7
End-user customers and direct sales	136,7	127,8
	2 029,9	2 021,5

The Group's most significant customers, being two South African retailers, accounted for 25,6% of the carrying amount of trade receivables as at 30 June 2026 (2025: 28,1%).

**Net of allowances for credit notes, discounts and other trade terms.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

36. Financial risk management continued

36.3 Credit risk continued

Impairment losses

The ageing of trade receivables at the reporting date was:

	2026			2025		
	Gross R'm	Impairment loss allowance R'm	Expected credit loss rate %	Gross R'm	Impairment loss allowance R'm	Expected credit loss rate %
Not past due	1 931,4	–	–	1 968,4	–	–
Past due 0 – 30 days	60,3	(1,1)	1,8	32,5	(0,7)	2,2
Past due 31 – 120 days	22,2	(0,2)	0,9	13,5	(0,9)	6,7
Past due 121 days – 1 year	13,5	(0,9)	6,7	4,6	(0,8)	17,4
Past due more than 1 year	2,5	(1,5)	60,0	2,5	(2,0)	80,0
	2 029,9	(3,7)	0,2	2 021,5	(4,4)	0,2

The majority of trade receivables not past due relate to credit extended to large South African retailers and wholesalers, considered to be of a high credit grade.

Based on historical default rates, the Group believes that a nominal impairment loss allowance is appropriate in respect of trade receivables not past due.

The movement in the impairment loss allowance in respect of trade receivables during the year was as follows:

	2026 R'm	2025 R'm
Balance as at 1 July	(4,4)	(4,6)
Impairment loss reversed/(recognised) in profit or loss	0,3	(0,4)
Impairment loss utilised	0,4	0,6
BALANCE AS AT 30 JUNE	(3,7)	(4,4)

The assumptions used to calculate the expected credit loss allowance include, among others, insurance cover in place, past impairment provisions and bad debts written off as well as management's assessment of the fast moving consumer goods environment.

The allowance for impairment in respect of trade receivables is used to record expected credit losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the amount is considered irrecoverable and is written off against the financial asset directly.

The carrying amounts represent the maximum exposure to credit risk.

The impairment loss allowance has decreased due to an improvement in the overall credit quality and recoverability of outstanding balances. Lower ECL rates were applied to certain ageing categories, reflecting successful collection efforts, the resolution of previously overdue accounts, and an improved credit profile of customers within these categories.

36. Financial risk management continued

36.4 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group actively manages short-term funding requirements via the Group Treasury with regular forecasts. Typically the Group ensures that it has sufficient liquidity to meet expected operational expenses for a period of eight weeks, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

In addition, the Group maintains R5,1 billion (2025: R4,9 billion) in borrowing facilities with banks. These are a combination of short-term and medium-term and committed and uncommitted facilities. These facilities provide the Group with access to sufficient funding to maintain its strong financial position.

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount R'm	Contractual cash flows R'm	1 year or less R'm	+1 – 2 years R'm	+2 – 5 years R'm	More than 5 years R'm
30 June 2026						
Non-derivative financial liabilities						
Trade and other payables*	1 451,2	1 451,2	1 451,2	–	–	–
Lease liabilities	525,1	626,6	173,8	152,2	230,7	69,9
Current borrowings	1 347,8	1 347,8	1 347,8	–	–	–
	3 324,1	3 425,6	2 972,8	152,2	230,7	69,9
30 June 2025						
Non-derivative financial liabilities						
Trade and other payables*	1 341,4	1 341,4	1 341,4	–	–	–
Lease liabilities	551,3	670,0	178,2	146,7	244,0	101,1
Current borrowings	2 006,4	2 006,4	2 006,4	–	–	–
	3 899,1	4 017,8	3 526,0	146,7	244,0	101,1

* Excludes contract liabilities, earnings-linked performance and accrued bonuses, leave pay provisions, short-term employee benefits and indirect tax liabilities.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

36. Financial risk management continued

36.4 Liquidity risk continued

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to occur:

	Carrying amount R'm	Contractual cash flows R'm	1 year or less R'm	+1 – 2 years R'm	+2 – 5 years R'm	More than 5 years R'm
30 JUNE 2026						
FECs used for hedging						
– Imports	(13,6)	659,5	659,5	–	–	–
– Exports	29,1	(616,1)	(616,1)	–	–	–
	15,5	43,4	43,4	–	–	–
Imports – average forward rate:						
– USD/ZAR			16,93			
– EUR/ZAR			19,82			
– GBP/ZAR			22,27			
– AUD/ZAR			11,72			
Exports – average forward rate:						
– USD/ZAR			17,38			
– EUR/ZAR			20,61			
– GBP/ZAR			23,21			
30 JUNE 2025						
FECs used for hedging						
– Imports	(11,0)	759,1	759,1	–	–	–
– Exports	(11,1)	(670,3)	(670,3)	–	–	–
	(22,1)	88,8	88,8	–	–	–
Imports – average forward rate:						
– USD/ZAR			18,33			
– EUR/ZAR			20,61			
Exports – average forward rate:						
– USD/ZAR			18,93			
– EUR/ZAR			20,85			

36.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and commodity input prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

The Group buys foreign currency derivatives in order to manage foreign exchange risks. Such transactions are carried out within the guidelines set by Group Treasury. Generally the Group seeks to apply hedge accounting in order to manage volatility in profit or loss.

The Group also enters into fuel swaps to manage a portion of its exposure to fluctuations in oil prices.

The Group does not enter into commodity contracts other than to meet the Group's expected usage requirements; such contracts are not net settled.

36. Financial risk management continued

36.5 Market risk continued

Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. The Group is primarily exposed to the Euro, the US Dollar and the Australian Dollar.

Generally the Group hedges 25 to 75 percent of its estimated foreign currency exposure in respect of forecast sales and purchases over the following 12 months. The Group hedges between 75 to 100 percent of forecast sales and purchases, and firm and ascertainable commitments denominated in a foreign currency. The Group uses forward exchange contracts to hedge its currency risk, all with a maturity of less than one year from the reporting date. When necessary, forward exchange contracts are rolled over at maturity.

In respect of transactions not covered by forward exchange contracts or other monetary assets and liabilities denominated in foreign currencies that arise in the normal course, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary.

The Group's investments in foreign subsidiaries are not hedged as those currency positions are considered to be long-term in nature.

Exposure to currency risk

The Group's exposure to significant foreign currency risk was as follows, based on nominal amounts:

	Trade receivables FC'm	Cash and cash equivalents FC'm	Trade payables FC'm	Borrowings (including lease liabilities) FC'm	Balance sheet exposure FC'm	Estimated forecast sales* FC'm	Estimated forecast purchases* FC'm	FECs on sales/receivables FC'm	FECs on purchases/payables FC'm	Net forecast FC exposure FC'm
NET EXPOSURE AS AT 30 JUNE 2026										
Australian Dollar	3,0	–	–	–	3,0	11,4	–	(5,4)	–	9,0
Botswana Pula	27,3	42,0	–	(23,4)	45,9	–	–	–	–	45,9
Euro	13,2	1,7	(3,0)	(0,4)	11,5	60,1	(20,8)	(22,2)	11,7	40,3
US Dollar	3,2	0,6	(3,1)	(1,8)	(1,1)	16,4	(63,5)	(8,4)	31,1	(25,5)
UK Pound	4,5	0,8	–	–	5,3	9,5	(0,5)	(4,6)	–	9,7
Zambian Kwacha	30,4	27,5	–	(5,7)	52,2	–	–	–	–	52,2
Namibian Dollar	26,1	38,8	(4,7)	(1,1)	59,1	–	–	–	–	59,1
NET EXPOSURE AS AT 30 JUNE 2025										
Australian Dollar	1,6	–	–	–	1,6	17,9	–	(6,2)	–	13,3
Botswana Pula	28,3	46,0	(1,4)	(25,4)	47,5	–	–	–	–	47,5
Euro	12,3	2,8	(2,0)	(0,4)	12,7	57,0	(21,4)	(25,8)	8,4	30,9
US Dollar	1,5	2,3	(4,0)	(1,1)	(1,3)	17,5	(71,8)	(5,7)	36,8	(24,5)
UK Pound	2,2	0,4	–	–	2,6	10,0	–	(4,8)	–	7,8
Zambian Kwacha	29,0	17,5	(0,9)	(9,5)	36,1	–	–	–	–	36,1
Namibian Dollar	24,2	34,9	(4,7)	(1,7)	52,7	–	–	–	–	52,7

* Estimated forecast sales and purchases reflect anticipated transactions for the 12 months from 30 June.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

36. Financial risk management continued

36.5 Market risk continued

Exposure to currency risk continued

The following significant exchange rates applied during the year:

	REPORTING DATE			
	30 JUNE 2026		30 JUNE 2025	
	Closing rate	Average for the year	Closing rate	Average for the year
1FC = X ZAR				
Australian Dollar	11,34	11,43	11,68	11,72
Botswana Pula	1,16	1,19	1,33	1,34
Euro	18,72	19,68	20,92	19,77
US Dollar	16,39	16,88	17,75	18,14
UK Pound	21,74	22,57	24,38	23,55
Zambian Kwacha	0,90	0,81	0,74	0,67
Namibian Dollar	1,00	1,00	1,00	1,00

Sensitivity analysis

A 10 percent weakening of the Rand against the following currencies as at 30 June applied against the net forecast foreign currency exposure for the next 12 months would result in the following changes to profit/(loss) and equity over a 12 month period. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as 2025.

	PROFIT/(LOSS) AND EQUITY	
	2026 R'm	2025 R'm
Australian Dollar	10,2	15,5
Botswana Pula	5,3	6,3
Euro	75,5	64,7
US Dollar	(41,8)	(43,5)
UK Pound	21,1	19,0
Zambian Kwacha	4,7	2,7
	75,0	64,7

A 10 percent strengthening of the Rand against the above currencies as at 30 June would have had an equal but opposite effect to the amounts shown above. This analysis assumes that all other variables, in particular interest rates, remain constant.

36. Financial risk management continued

36.5 Market risk continued

Interest rate risk

The Group, being strongly cash generative, adopts a policy of ensuring that most of its exposure to changes in interest rates on borrowings is on a floating rate basis. Where economical, interest rate swaps may be entered into on a portion of debt.

Profile

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	CARRYING AMOUNT	
	2026 R'm	2025 R'm
VARIABLE RATE INSTRUMENTS		
– Financial assets ¹	206,8	294,5
– Financial liabilities ²	(1 347,8)	(2 006,4)
	(1 141,0)	(1 711,9)

¹ Includes cash and cash equivalents.

² Includes current borrowings.

Fair value sensitivity analysis for fixed rate instruments

The Group accounts for fixed rate instruments on an amortised cost basis and therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

An increase of 100 basis points in the interest rates at the reporting date, calculated on the closing balances and using simple interest for 12 months, would have decreased profit/(loss) and equity by the amounts shown below. A decrease of 100 basis points would have had an equal but opposite effect to the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as 2025.

	PROFIT/(LOSS) AND EQUITY	
	2026 R'm	2025 R'm
VARIABLE RATE INSTRUMENTS		
– Financial assets	2,1	2,9
– Financial liabilities	(13,5)	(20,1)
NET CASH FLOW SENSITIVITY	(11,4)	(17,2)

Commodity input price risk

The group is exposed to fluctuations in the prices of certain raw materials used in its operations. Fluctuations in market prices may impact the cost of these inputs and, consequently, the Group's operating margins and cash flows. The risk is managed through procurement practises, supplier negotiations and contractual pricing arrangements providing the ability to protect pricing exposure with suppliers based on committed volumes to be physically delivered and used in production. The Group does not currently use commodity derivatives to hedge this exposure.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

37. Financial assets and liabilities

Accounting classifications and fair values

The table below sets out the Group's classification of each class of financial assets and liabilities, including their levels in the fair value hierarchy (if applicable).

	CARRYING AMOUNT			FAIR VALUE HIERARCHY		
	Assets	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Level 1	Level 2	Level 3
	Liabilities	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost			
30 June 2026	R'm	R'm	R'm	R'm	R'm	R'm
FINANCIAL ASSETS MEASURED AT FAIR VALUE	60,7	60,7	–	–	60,7	–
Forward exchange contract derivative assets	47,4	47,4	–		47,4	
Fuel swap derivative assets	13,3	13,3	–		13,3	
FINANCIAL ASSETS NOT MEASURED AT FAIR VALUE	2 314,0	–	2 314,0	–	–	–
Contributions to Enterprise and Supplier Development initiatives	23,9	–	23,9			
Trade and other receivables						
– Trade receivables	2 026,2	–	2 026,2			
– Other receivables	57,1	–	57,1			
Cash and cash equivalents	206,8	–	206,8			
FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	(25,1)	(25,1)	–	–	(25,1)	–
Forward exchange contract derivative liabilities	(25,0)	(25,0)	–		(25,0)	
Fuel swap derivative liabilities	(0,1)	(0,1)	–		(0,1)	
FINANCIAL LIABILITIES NOT MEASURED AT FAIR VALUE	(3 324,1)	–	(3 324,1)	–	–	–
Current borrowings	(1 347,8)	–	(1 347,8)			
Lease liabilities	(525,1)	–	(525,1)			
Trade and other payables						
– Trade payables	(1 143,6)	–	(1 143,6)			
– Other payables *	(307,6)	–	(307,6)			

* Excludes contract liabilities, earnings-linked performance and accrued bonuses, leave pay provisions, short-term employee benefits and indirect tax liabilities.

37. Financial assets and liabilities continued

Accounting classifications and fair values continued

	CARRYING AMOUNT			FAIR VALUE HIERARCHY		
	Assets	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Level 1	Level 2	Level 3
	Liabilities	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost			
30 June 2025	R'm	R'm	R'm	R'm	R'm	R'm
FINANCIAL ASSETS MEASURED AT FAIR VALUE	13,7	13,7	–	–	13,7	–
Forward exchange contract derivative assets	12,9	12,9	–		12,9	
Fuel swap derivative assets	0,8	0,8	–		0,8	
FINANCIAL ASSETS NOT MEASURED AT FAIR VALUE	2 364,1	–	2 364,1	–	–	–
Contributions to Enterprise and Supplier Development initiatives	21,9	–	21,9			
Trade and other receivables						
– Trade receivables	2 017,1	–	2 017,1			
– Other receivables	30,6	–	30,6			
Cash and cash equivalents	294,5	–	294,5			
FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	(38,9)	(38,9)	–	–	(38,9)	–
Forward exchange contract derivative liabilities	(35,4)	(35,4)	–		(35,4)	
Fuel swap derivative liabilities	(3,5)	(3,5)	–		(3,5)	
FINANCIAL LIABILITIES NOT MEASURED AT FAIR VALUE	(3 899,1)	–	(3 899,1)	–	–	–
Current borrowings	(2 006,4)	–	(2 006,4)			
Lease liabilities	(551,3)	–	(551,3)			
Trade and other payables						
– Trade payables	(1 046,5)	–	(1 046,5)			
– Other payables*	(294,2)	–	(294,2)			

* Excludes contract liabilities, earnings-linked performance and accrued bonuses, leave pay provisions, short-term employee benefits and indirect tax liabilities.

Management has assessed that the fair values of cash and cash equivalents, trade and other receivables, trade and other payables and current borrowings approximate their carrying amounts largely due to the short-term maturities of these instruments.

The different levels as disclosed in the table above have been defined as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2026

37. Financial assets and liabilities continued

Measurement of fair value

The following table shows the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Derivative assets and liabilities at fair value: used for hedging	Market comparison technique: The fair value of foreign currency contracts and fuel swaps (used for hedging) are marked-to-market by comparing the contracted forward rate to the present value of the current forward rate of an equivalent contract with the same maturity date.	Not applicable	Not applicable

There were no transfers between Levels 1,2 or 3 of the fair value hierarchy for the years ended 30 June 2026 and 30 June 2025.

38. Post-reporting date events

No material events that meet the requirements of IAS 10 have occurred since the reporting date.

39. Going concern

The Group earned a net profit for the year ended 30 June 2026 of R2 562,6 million (2025: R2 429,7 million) and as of that date, its total assets exceeded its total liabilities by R5 861,3 million (2025: R5 346,9 million).

The trading environment remains challenging and uncertain. South African consumers continue to experience pressure from constrained disposable income, elevated unemployment and subdued economic growth. In addition, ongoing deterioration in municipal infrastructure in key operating regions continues to increase the cost and complexity of maintaining efficient operations. Global geopolitical uncertainty has contributed to increased volatility in fuel prices and broader inflationary pressures, resulting in additional uncertainty across supply chains and operating costs.

Despite these conditions, the Group focused on protecting volumes, preserving margins and optimising returns through disciplined pricing, cost management and operational efficiency initiatives. Management continues to prioritise productivity improvements and cost optimisation while maintaining competitive market positions across our portfolios.

As part of preparing the financial statements, the Group performed a detailed going concern assessment. The assessment considered the Group's financial position at 30 June 2026, the approved budget for the 2027 financial year, expected cash generation and working capital requirements, available liquidity and the Group's ability to meet its obligations as they fall due. The budget was prepared against a backdrop of continued macroeconomic uncertainty, constrained consumer spending, volatile input costs and heightened competitive intensity. Notwithstanding these challenges, the base case budget demonstrates continued profitability and strong cash generation and the ability of the Group to meet its obligations as they fall due.

A downside scenario was also considered, reflecting lower-than-anticipated consumer demand, higher fuel and operating costs, more aggressive competitor pricing and promotional activity, continued volatility in foreign exchange rates and inflation, and operational risks associated with deteriorating public infrastructure. The impact of lower I&J catch rates was also considered. Even under the downside scenario, the Group is expected to remain profitable and cash generative, with the overall financial position remaining sound and sufficient liquidity available to meet obligations as they fall due.

Based on the above assessment, no material uncertainty therefore arises that would cast significant doubt on the Group's ability to continue as a going concern for at least 12 months from the date of approval of the annual consolidated financial statements. Accordingly, the directors consider it appropriate to adopt the going concern basis in preparing the annual consolidated financial statements.

ANNEXURE A – INTERESTS IN OTHER ENTITIES

Interests in other entities as at 30 June 2026

Principal subsidiary companies of AVI Limited

Name of company and nature of business	Class	ISSUED PERMANENT CAPITAL*		GROUP EFFECTIVE PERCENTAGE HOLDING	
		2026 R'm	2025 R'm	2026 %	2025 %
A&D SPITZ PROPRIETARY LIMITED – retailer of branded shoes and apparel	Ord	–	–	100	100
IRVIN & JOHNSON HOLDING COMPANY PROPRIETARY LIMITED – integrated fishing, processing and marketing of branded value-added fish and seafood products	Ord	–	–	100	100
INDIGO BRANDS PROPRIETARY LIMITED – manufacturers and distributors of leading aerosol body spray, roll-on, fragrance, cosmetics and body lotion products	Ord	–	–	100	100
NATIONAL BRANDS LIMITED – manufacturers and marketers of branded food and beverage products	Ord	3,5	3,5	100	100

All companies are incorporated in South Africa.

* Where Rnil amount is less than R0,1 million.

ANNEXURE B – ANALYSIS OF ORDINARY SHAREHOLDERS

Analysis of ordinary shareholders as at 30 June 2026

Shareholder Spread	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
1 – 1,000	12 722	70,12	3 572 765	1,05
1,001 – 10,000	4 171	22,99	12 826 186	3,75
10,001 – 100,000	861	4,75	28 714 405	8,40
100,001 – 1,000,000	320	1,76	95 864 226	28,06
Over 1,000,000	69	0,38	200 672 384	58,74
TOTAL	18 143	100,00	341 649 966	100,00
Distribution of Shareholders				
Assurance Companies	100	0,55	3 888 212	1,14
Close Corporations	122	0,67	287 601	0,08
Collective Investment Schemes	588	3,24	148 152 835	43,36
Control Accounts	2	0,01	69	0,00
Custodians	40	0,22	4 066 401	1,19
Foundations & Charitable Funds	138	0,77	1 517 717	0,45
Hedge Funds	21	0,12	8 349 118	2,44
Insurance Companies	6	0,03	201 507	0,06
Investment Partnerships	42	0,23	1 299 390	0,38
Managed Funds	73	0,40	8 158 672	2,39
Medical Aid Funds	20	0,11	1 446 421	0,42
Organs of State	22	0,12	67 129 966	19,65
Private Companies	608	3,35	3 893 416	1,14
Public Companies	10	0,06	3 989 918	1,17
Public Entities	3	0,02	62 365	0,02
Retail Shareholders	13 570	74,79	15 555 305	4,55
Retirement Benefit Funds	340	1,87	26 011 766	7,61
Scrip Lending	13	0,07	16 459 430	4,82
Share Schemes	1	0,01	1 370 723	1,44
Sovereign Funds	13	0,07	5 369 975	1,57
Stockbrokers & Nominees	40	0,22	12 345 164	3,61
Treasury	1	0,01	4 914 670	0,40
Trusts	2 361	13,01	7 162 187	2,10
Unclaimed Scrip	9	0,05	17 138	0,01
TOTAL	18 143	100,00	341 649 966	100,00
Shareholder Type				
Non-Public Shareholders	6	0,04	8 070 335	2,36
Directors	4	0,02	1 784 942	0,53
AVI Share Schemes	1	0,01	1 370 723	0,40
Treasury Shares	1	0,01	4 914 670	1,44
Public Shareholders	18 137	99,96	333 579 631	97,63
TOTAL	18 143	100,00	341 649 966	100,00

ANNEXURE B – ANALYSIS OF ORDINARY SHAREHOLDERS continued

Analysis of ordinary shareholders as at 30 June 2026

Fund managers with a holding greater than 3% of the issued shares	Number of shares	% of issued capital
Public Investment Corporation	59 432 676	17,40
Vanguard Investment Management	13 632 263	3,99
Allan Gray	13 479 619	3,95
BlackRock	13 216 818	3,87
TOTAL	99 761 376	29,21
Beneficial shareholders with a holding greater than 3% of the issued shares		
Government Employees Pension Fund	64 613 257	18,91
Vanguard Investment Management	13 632 263	3,99
TOTAL	78 245 520	22,90
TOTAL NUMBER OF SHAREHOLDINGS		18 143
TOTAL NUMBER OF SHARES IN ISSUE		341 649 966
Share price performance		
Opening price 01 July 2025		R94,50
Closing price 30 June 2026		R100,53
Closing high for period		R115,17
Closing low for period		R89,53
Number of shares in issue		341 649 966
Volume traded during period		232 375 749
Ratio of volume traded to shares issued (%)		68,02
Rand value traded during the period		R23 247 764 859
Market capitalisation at 30 June 2026		R34 346 071 082

SHAREHOLDERS' DIARY

REPORTS AND PROFIT STATEMENTS

Financial year end	30 June
Interim results announcement	March
Annual results announcement	September
Annual financial statements published	October

DIVIDENDS

Interim dividend

• declared	March
• paid	April

Final dividend

• declared	September
• paid	October

FINAL DIVIDEND NO. 109 AND SPECIAL DIVIDEND NO. 110

Dividends declared	Friday, 4 September 2026
Details of dividends announcement on SENS	Monday, 7 September 2026
Finalisation date	Tuesday, 6 October 2026
Last day to trade cum dividend on the JSE Limited ("JSE")	Tuesday, 13 October 2026
First day trading ex dividend on the JSE	Wednesday, 14 October 2026
Record date	Friday, 16 October 2026
Payment date	Monday, 19 October 2026

NOTICE OF ANNUAL GENERAL MEETING

AVI Limited

(Incorporated in the Republic of South Africa)

(Registration number 1944/017201/06)

Share code: AVI

ISIN: ZAE000049433

("AVI" or "the Company" or "the Group")

NOTICE OF ANNUAL GENERAL MEETING

INCORPORATING A FORM OF PROXY FOR THE USE OF HOLDERS OF CERTIFICATED ORDINARY SHARES AND DEMATERIALIZED ORDINARY SHARES WITH "OWN NAME" REGISTRATION ONLY.

Notice is hereby given that the eighty-second Annual General Meeting ("AGM") of members of the Company will be held at 2 Harries Road, Illovo, Johannesburg, on Tuesday, 10 November 2026 at 11:00 for the following purposes:

To consider and if deemed fit, to pass with or without modification, ordinary resolutions 1 to 11. In terms of the Companies Act 71 of 2008, as amended ("the Companies Act"), for an ordinary resolution to be adopted, it must be supported by more than 50% of the total number of votes exercised on the resolution by the shareholders present or represented by proxy at this meeting and entitled to vote thereon

1. "That the annual financial statements for the year ended 30 June 2026, together with the reports of the directors, the independent auditors, and the Audit and Risk Committee, be and are hereby adopted."
2. "That Ernst & Young Inc. be and are hereby appointed as the external auditors of the Company and Mr EAL Botha as designated partner."
3. "That Mr MJ Watters, who will retire by rotation in accordance with the Company's Memorandum of Incorporation and who, being eligible, offers himself for re-election, be and is hereby re-elected as a director of the Company."*
4. "That Mrs A Muller, who will retire by rotation in accordance with the Company's Memorandum of Incorporation and who, being eligible, offers herself for re-election, be and is hereby re-elected as a director of the Company."*
5. "That Mr SG Robinson be and is hereby elected as a member and the Chairman of the Audit and Risk Committee."*
6. "That Ms MR Mouyeme be and is hereby elected as a member of the Audit and Risk Committee."*
7. "That Mrs A Muller, subject to her re-election as a non-executive director in terms of ordinary resolution 4 above, be and is hereby elected as a member of the Audit and Risk Committee."*
8. "That Mrs A Muller, subject to her re-election as a non-executive director in terms of ordinary resolution 4 above, be and is hereby elected as a member and the Chair of the Social and Ethics Committee."*
9. "That Mr MJ Watters, subject to his re-election as a non-executive director in terms of ordinary resolution 3 above, be and is hereby elected as a member of the Social and Ethics Committee."*
10. "That Ms MR Mouyeme be and is hereby elected as a member of the Social and Ethics Committee."*
11. "That the Company and/or any of its subsidiaries be and are hereby authorised, by way of a general approval in terms of section 7.84 of the Listings Requirements of the JSE Limited ("the JSE"), to acquire ordinary shares issued by the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time decide, provided that:
 - any such acquisition shall only be made in compliance with the provisions of sections 4 and 48 read with section 46 of the Companies Act;
 - any such acquisition of ordinary shares shall be effected on the open market through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades being prohibited);
 - any such acquisition of ordinary shares is authorised by the Company's Memorandum of Incorporation;
 - this general authority shall be valid until the Company's next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this ordinary resolution;
 - the Company and its subsidiaries may not, in aggregate in any one financial year, acquire in excess of 10% of the Company's issued ordinary share capital as at the date of passing of this ordinary resolution;
 - the Board of directors has passed a resolution authorising the repurchase and confirming that the Company and its subsidiary/ies have passed the solvency and liquidity tests and that, since the tests were performed, there have been no material changes to the financial position of the Group;

NOTICE OF ANNUAL GENERAL MEETING continued

- in determining the price at which ordinary shares issued by the Company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% of the weighted average of the market value at which such ordinary shares are traded on the JSE as determined over the five business days immediately preceding the date of repurchase of such ordinary shares by the Company or any of its subsidiaries;
- at any point in time, the Company may only appoint one agent to effect any repurchase on the Company's behalf;
- the Company and/or its subsidiaries may not repurchase any ordinary shares during a prohibited period as defined by the Listings Requirements unless they have in place a repurchase programme where the dates and quantities of ordinary shares to be traded during the relevant period are fixed and which has been submitted to the JSE in writing prior to the commencement of the prohibited period. The Company will instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE; and
- shares held within the AVI Group (so called treasury shares) will not have their votes at general meetings taken account of for Listings Requirements resolution approval purposes."

The directors consider that such a general authority should be put in place in accordance with the Listings Requirements in order to enable the repurchase of the Company's shares should an opportunity to do so, which is in the best interests of the Company and its shareholders, present itself during the year.

Upon cumulatively repurchasing 3% of the initial number of ordinary shares in issue and for each 3% of ordinary shares repurchased thereafter, the Company will make an announcement to such effect not later than 08:30 on the second business day following the day on which the relevant threshold is reached or exceeded.

** Brief CVs of the directors appear on pages 94 and 95 of the Integrated Annual Report.*

To consider and if deemed fit, to pass with or without modification, special resolutions 12 to 23. In terms of the Companies Act for a special resolution to be adopted, it must be supported by at least 75% of the total number of votes exercised on the resolution by shareholders present or represented by proxy at this meeting entitled to vote thereon.

The Company annually benchmarks the non-executive directors' remuneration using the Deloitte Guide to Non-Executive Director Fees and Structures, whilst also considering factors such as CPI, company size, special skills and expertise, and time commitments, to ensure that increases awarded are affordable, reasonable, and based on the current market environment. The increase proposed for F27 for all Board roles is 5%, except for the Audit Committee members, for whom a 7% increase is proposed. The Audit Committee members' current remuneration reflects a compa-ratio of 0.77 to the market 75th percentile. In November 2024 the Company attempted to correct this and proposed an increase of 15% (or R23 490 per annum per member). The proposed increase was not approved by shareholders and the fees of the members of the Audit Committee remained unchanged for the 2025 financial year. Whilst above inflation, the increase would have resulted in a fee in line with benchmark, taking into consideration the complexity of this Committee's responsibilities and the fact that the members of the Audit and Risk Committee also did not receive increases in FY23 owing to the non-approval of the proposed new non-executive remuneration framework by shareholders. The new framework was subsequently abandoned owing to lack of support. Considering what the compound annual increase in fees for these Committee members would have been since FY22 if inflationary increases had been awarded in FY23, the fees proposed in FY24 would have been in line therewith. The fees for the Audit Committee members are therefore still significantly behind market benchmarks and, taking all the above considerations into account, a 7% increase (or R11 620 per member per annum) is proposed.

12. "That with effect from 1 July 2026 the fees payable to the current non-executive directors, excluding the Chairman of the Board and the foreign non-executive director, Mr MJ Watters, be increased from R551 221 per year to R578 782 per year."
13. "That with effect from 1 July 2026 the fees payable to the Chairman of the Board be increased from R1 758 921 per year to R1 846 867 per year."

14. "That with effect from 1 July 2026 the fees payable to the members of the Remuneration, Nomination and Appointments Committee, excluding the Chairman of the committee, be increased from R161 597 per year to R169 677 per year."
15. "That with effect from 1 July 2026 the fees payable to the members of the Audit and Risk Committee, excluding the Chairman of the committee, be increased from R165 994 per year to R177 614 per year."
16. "That with effect from 1 July 2026 the fees payable to the members of the Social and Ethics Committee, excluding the Chairman of the committee, be increased from R119 042 per year to R124 994 per year."
17. "That with effect from 1 July 2026 the fees payable to the Chairman of the Remuneration, Nomination and Appointments Committee be increased from R351 921 per year to R369 517 per year."
18. "That with effect from 1 July 2026 the fees payable to the Chairman of the Audit and Risk Committee be increased from R380 647 per year to R399 679 per year."
19. "That with effect from 1 July 2026 the fees payable to the Chairman of the Social and Ethics Committee be increased from R177 614 per year to R186 495 per year."
20. "That with effect from 1 July 2026 the fees payable to the Chairman of the Board, should the Chairman be a foreign non-executive director, be increased from £113 420 per year to £119 091 per year."
21. "That with effect from 1 July 2026 the fees payable to the members of the Audit and Risk Committee, should the member be a foreign non-executive director, be increased from £11 909 per year to £12 504 per year."
22. "That with effect from 1 July 2026 the fees payable to the members of the Remuneration, Nominations and Appointments Committee, should the member be a foreign non-executive director, be increased from £7 939 per year to £8 336 per year."
23. "That with effect from 1 July 2026 the fees payable to the members of the Social and Ethics Committee, should the member be a foreign non-executive director, be increased from £7 372 per year to £7 741 per year."

To consider the binding ordinary resolution 24

24. "That, by way of an ordinary resolution, the Company's remuneration policy as set out in the Remuneration Report contained in the Integrated Annual Report of which this Notice forms part, be and is hereby approved."

Section 30A of the Companies Act, 71 of 2008, requires the Company to table its remuneration policy to shareholders by way of a binding ordinary vote at the AGM. This vote enables shareholders to express their views on the remuneration policy adopted. If the remuneration policy is not approved, it will be presented at the next AGM or at a shareholders' meeting called for that purpose. Once approved, the remuneration policy will remain in force for a period of three years from approval and must be approved every three years thereafter. The remuneration policy may be amended prior to the end of the three-year period provided that any material amendment can only be implemented after it is approved by shareholders by an ordinary resolution at a shareholders' meeting called for that purpose or an AGM.

Shareholders are invited to engage with the Company ahead of the AGM regarding any queries of concerns that they may have on the remuneration policy.

NOTICE OF ANNUAL GENERAL MEETING continued

To consider the binding ordinary resolution 25

25. "That, by way of an ordinary resolution, the Company's implementation report as set out in the Remuneration Report contained in the Integrated Annual Report of which this Notice forms part, be and is hereby approved."

Section 30B of the Companies Act, 71 of 2008, requires the Company to table its implementation report every year to shareholders by way of a binding ordinary vote at the AGM. This vote enables shareholders to express their views on the implementation report.

If the implementation report is not approved, the Remuneration Committee must, at the next AGM, present an explanation on the manner in which the shareholders' concerns have been taken into account and the non-executive members of the Remuneration Committee (excluding those who have served on the Remuneration Committee for less than 12 months in the year under review) must stand for re-election as members of the Remuneration Committee at the AGM at which the explanation is presented. If at such subsequent AGM, the remuneration report is also not approved by ordinary resolution of the shareholders, the non-executive members of the Remuneration Committee (excluding those who have served on the Remuneration Committee for less than 12 months in the year under review) will not be eligible to serve on the Remuneration Committee for a period of two years thereafter.

Shareholders are invited to engage with the Company ahead of the AGM regarding any queries of concerns that they may have on the implementation report.

Following each AGM the Company will also engage with dissenting voters with a view to addressing legitimate and reasonable objections and concerns raised.

To consider any other business.

26. "To transact such other business as may be transacted at an AGM."

Directors' statement

The directors, having considered the effects of Ordinary Resolution 11 above, consider that for a period of 12 (twelve) months after the date of this notice:

- the Company and the Group will be able, in the ordinary course of business, to pay their debts;
- the assets of the Company and the Group, fairly valued in accordance with generally accepted accounting practice, will exceed the liabilities of the Company and the Group; and
- the Company and the Group's ordinary share capital, reserves and working capital will be adequate for ordinary business purposes.

Integrated Annual Report

The Company's Integrated Annual, incorporating the Business Review, Sustainable Development Report, Corporate Governance Report, the Social and Ethics Committee Report, the Remuneration Report, the Consolidated Annual Financial Statements, and the Shareholders' Diary, is available online on the Company's website at www.avi.co.za.

General information

The following additional information is provided in terms of the Listings Requirements of the JSE for purposes of the general authority to repurchase shares (resolution 23):

- major beneficial shareholders – pages 202 and 217 to 218 of the Integrated Annual Report; and
- share capital of the Company – page 183 of the Integrated Annual Report.

Directors' responsibility statement

The directors, whose names appear on pages 94 to 95 of the Integrated Annual Report, collectively and individually accept full responsibility for the accuracy of the information pertaining to resolution 23 above and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this notice contains all information required by law and the Listings Requirements of the JSE.

Material changes

Other than the facts and developments reported on in the Integrated Annual Report, there have been no material changes in the affairs or financial position, other than in the ordinary course of business of the Company and its subsidiaries since the date of signature of the annual report and up to the date of this notice.

Social and ethics and remuneration reports

As required in terms of sections 61(8)(a)(iv) and (v) of the Companies Act, as read with regulation 43(5)(c) of the Companies Regulations, 2011, promulgated under the Companies Act, the report of the Social and Ethics Committee and the remuneration report are included in the annual report available on the Company's website at www.avi.co.za.

Record date

The directors have determined in accordance with sections 59(1)(a) and (b) of the Companies Act that:

- the record date for the purposes of receiving notice of the AGM shall be the close of business on Friday, 2 October 2026; and
- the record date for the purposes of the AGM (being the date on which a shareholder must be registered in the Company's share register to participate in and vote at the AGM) shall be the close of business on Friday, 30 October 2026. Accordingly, the last day to trade to participate in and vote at the AGM is Tuesday, 27 October 2026.

Electronic Participation at AGM

In addition to in-person attendance at the AGM, shareholders and guests ("Participant/s") will be able to attend the AGM electronically through the Computershare virtual meeting platform. Shareholders who wish to participate electronically must either:

- (1) register online using the online registration portal at <https://meetnow/global.za>; or
- (2) apply to Computershare by delivering the duly completed electronic participation form to: First Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the Participant) or by sending it by email to proxy@computershare.co.za, so as to be received by Computershare by no later than 11h00 on Monday, 9 November 2026. The electronic participation form can be found as an insert to this Notice of AGM.

Computershare will first validate all participation requests and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act and, if the request is validated, further details on using the electronic communication facility will be provided.

Computershare will inform Participants who notified them of their intended electronic participation by no later than 17h00 on Monday, 9 November 2026 by email of the relevant details through which Participants can participate electronically.

The cost of electronic participation in the AGM is for the expense of the Participant and will be billed separately by the Participant's own service provider.

Participants acknowledge that the electronic services are provided by third parties and indemnify AVI against any loss, injury, damage, penalty, or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by an act or omission on the part of the Participant or anyone else. In particular, but not exclusively, Participants acknowledge that they will have no claim against AVI, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the Participant via the electronic services to the AGM.

AVI cannot guarantee that there will be no break in electronic communication that is beyond the control of the Company.

Identification

In terms of section 63(1) of the Companies Act, before any person may attend or participate in an AGM, either in person or virtually, that person must present reasonably satisfactory identification and the person presiding at the AGM must be reasonably satisfied that the right of the person to participate in and vote at the AGM, either as a shareholder, or as a proxy for a shareholder, has been reasonably verified.

NOTICE OF ANNUAL GENERAL MEETING continued

Communication with Board of Directors at AGM

Shareholders attending the AGM, either in person or electronically, will be entitled to submit questions to the Board, subject to the right of the Board to limit the time allotted for question-and-answer sessions and individual questions, the number of questions allowed per shareholder, and how the Board may use its discretion when selecting questions to answer and paraphrase questions for clarity. The Board may further, in their discretion, decline to answer any questions.

Guests will not be able to ask questions or vote at the meeting.

To ask questions, shareholders can select the Q&A tab, type the question into the box at the bottom of the screen, and press "Send".

Voting and proxies

On a show of hands, every shareholder who is present in person or by proxy or electronically at the AGM shall have one vote, and on a poll, every shareholder who is present in person or by proxy or electronically at the AGM or which (being a company or body corporate) is represented, shall have one vote for every ordinary share in the Company of which such shareholder is the holder.

For shareholders attending the AGM electronically, resolutions will be put forward once voting is declared open by the Chairman. Once the voting has opened, the resolutions and voting options will appear. To vote, Participants must simply select the voting direction from the options shown on screen. The vote has been cast when a green tick appears. To change a vote, select "Change Your Vote".

Dematerialised shareholders (who are not "own name" dematerialised shareholders) who wish to attend the AGM or to vote by way of proxy, must contact their Central Securities Depository Participant ("CSDP") or broker who will furnish them with the necessary authority to attend the AGM or they must provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and their CSDP or broker.

Shareholders entitled to attend and vote at the AGM may appoint one or more persons as their proxy to attend, speak and vote in their stead. A proxy need not be a shareholder of the Company.

A form of proxy is attached for the convenience of certificated shareholders and "own name" dematerialised shareholders only, who are unable to attend the AGM, but who wish to be represented thereat. For administrative purposes, duly completed forms of proxy should be received by the transfer secretaries of the Company, Computershare Investor Services 2004 (Pty) Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag x9000, Saxonwold, 2132) by no later than 11:00 on Monday, 9 November 2026. Any forms of proxy not lodged by this time may be lodged at the AGM prior to its commencement.

Whilst voting will be permitted at the AGM for shareholders attending in person, by proxy, or electronically, shareholders are encouraged to cast and submit their votes by proxy prior to the AGM.

By order of the Board

VIVIEN CRYSTAL

Company Secretary

2 Harries Road, Illovo

9 October 2026

FORM OF PROXY

AVI Limited

(Incorporated in the Republic of South Africa)
(Registration number 1944/017201/06)
JSE code: AVI • ISIN: ZAE000049433
("AVI" or "the Company" or "the Group")

For use only by shareholders holding certificated shares, nominee companies of a Central Securities Depository Participant ("CSDP"), brokers' nominee companies and shareholders who have dematerialised their shares and who have elected own-name registration at the eighty-second Annual General Meeting of the Company, to be held at 2 Harries Road, Illovo, Johannesburg, 2196 at 11:00 on Tuesday, 10 November 2026 ("AGM").

Shareholders who have already dematerialised their shares through a CSDP or broker must not complete this form of proxy but must provide their CSDP or broker with their voting instructions.

Holders of dematerialised shares, other than those with "own name" registration, who wish to attend the AGM must inform their CSDP or broker of such intention and request their CSDP or broker to issue them with the necessary authorisation to attend the meeting.

I/We

of (address)

being the holder/s of ordinary shares in the Company, do hereby appoint:

1. or failing him/her,

2. or failing him/her,

3. the Chairman of the Annual General Meeting,

as my/our proxy to act for me/us at the AGM which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment thereof and to vote or abstain from voting on such resolutions in respect of the ordinary shares in the issued capital of the Company registered in my/our name/s in accordance with the following instructions (see note 2):

Resolution number	Number of votes (one vote per share)		
	In favour of	Against	Abstain
1. Adoption of the financial statements for the year ended 30 June 2026			
2. Appointment of Ernst & Young Inc. as the external auditors of the Company			
3. Re-election of Mr MJ Watters as a director			
4. Re-election of Mrs A Muller as a director			
5. Appointment of Mr SG Robinson as a member and Chairman of the Audit and Risk Committee			
6. Appointment of Ms MR Mouyeme as a member of the Audit and Risk Committee			
7. Appointment of Mrs A Muller as a member of the Audit and Risk Committee			
8. Appointment of Mrs A Muller as a member and Chairman of the Social and Ethics Committee			
9. Appointment of Mr MJ Watters as a member of the Social and Ethics Committee			
10. Appointment of Ms MR Mouyeme as a member of the Social and Ethics Committee			
11. General authority to buy-back shares			
12. Special resolution (increase in fees payable to non-executive directors, excluding the Chairman of the Board)			
13. Special resolution (increase in fees payable to the Chairman of the Board)			
14. Special resolution (increase in fees payable to members of the Remuneration, Nomination and Appointments Committee)			
15. Special resolution (increase in fees payable to members of the Audit and Risk Committee)			
16. Special resolution (increase in fees payable to non-executive members of the Social and Ethics Committee)			
17. Special resolution (increase in fees payable to Chairman of the Remuneration, Nomination and Appointments Committee)			
18. Special resolution (increase in fees payable to Chairman of the Audit and Risk Committee)			
19. Special resolution (increase in fees payable to Chairman of the Social and Ethics Committee)			
20. Special resolution (increase in fees payable to the Chairman of the Board, should the Chairman be a foreign non-executive director)			
21. Special resolution (increase in fees payable to the members of the Audit and Risk Committee, should the member be a foreign non-executive director)			
22. Special resolution (increase in fees payable to the members of the Remuneration, Nominations and Appointments Committee, should the member be a foreign non-executive director)			
23. Special resolution (increase in fees payable to the members of the Social and Ethics Committee, should the member be a foreign non-executive director)			
24. Ordinary resolution to endorse the remuneration policy			
25. Ordinary resolution to endorse the implementation report			

Insert an "X" in the relevant space above according to how you wish your votes to be cast, however, if you wish to cast your votes in respect of less than all of the ordinary shares that you own in the Company, insert the number of ordinary shares held in respect of which you desire to vote.

Signed at _____ on _____ 2026

Signature _____

Assisted by me (where applicable) _____

Each shareholder is entitled to appoint one or more proxies (none of whom need be a member of the Company) to attend, speak and, on a poll, vote in place of that shareholder at the AGM.

Please read the notes on the reverse side hereof.

NOTES TO THE FORM OF PROXY

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space/s provided, with or without deleting "the Chairman of the AGM", but any such deletion must be initialed by the shareholder concerned. The person whose name stands first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. Please insert an "X" in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of ordinary shares held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise the Chairman of the AGM, if he is the proxy, to vote in favour of and any other proxy to vote or to abstain from voting in respect of the resolutions to be considered at the AGM as he/she deems fit, in either case, in respect of all the shareholder's votes exercisable thereat. A shareholder or the proxy is not obliged to exercise all the votes exercisable by the shareholder or by the proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by the proxy.
3. For administrative purposes, duly completed forms of proxy should be received at the office of the transfer secretaries, Computershare Investor Services 2004 (Pty) Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to Private Bag x9000, Saxonwold, 2132 to be received by no later than 11:00 on Monday, 9 November 2026. Any forms of proxy not lodged by this time may be lodged at the AGM prior to its commencement.
4. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof. The appointment of a proxy or proxies is furthermore revocable, in which case a shareholder may revoke the proxy appointment by cancelling it in writing or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and to the Company.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer secretaries or waived by the Chairman of the AGM.
6. Any alteration or correction made to this form of proxy must be initialed by the signatory/ies.
7. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries of the Company.
8. The Chairman of the AGM may accept a form of proxy, which is completed and/or received other than in accordance with these notes if he is satisfied as to the manner in which the shareholder wishes to vote.
9. If the instrument appointing a proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company's Memorandum of Incorporation to be delivered by the Company to the shareholder must be delivered by the Company to the shareholder, or to the proxy or proxies, if the shareholder has directed the Company to do so in writing and paid any reasonable fee charged by the Company for doing so.
10. The appointment of a proxy or proxies remains valid only until the end of the AGM subject to any revocation thereof.

AVI Limited

(Incorporated in the Republic of South Africa)
 (Registration number 1944/017201/06)
 JSE code: AVI • ISIN: ZAE000049433
 ("AVI" or "the Company" or "the Group")

1. SHAREHOLDERS OR THEIR DULY APPOINTED PROXY(IES) THAT WISH TO PARTICIPATE IN THE AGM VIA ELECTRONIC COMMUNICATION ("PARTICIPANTS") MUST EITHER:

- Register online using the online registration portal at <https://meetnow.Global/za>; or
- Apply to computershare, by delivering this duly completed form to: Rosebank Towers, First Floor, 15 Biermann Avenue, Rosebank, 2196, or posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the Participant), or sending it by email to proxy@computershare.co.za so as to be received by Computershare by no later than 11h00 on Monday, 9 November 2026. Computershare will first validate such requests and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act and, if the request is validated, further details on using the electronic communication facility will be provided.

2. IMPORTANT NOTICE

Computershare will, by no later than 17h00 on Monday, 9 November 2026, notify Participants that have delivered valid notices in the form of this Form, by email, of the relevant details through which Participants can participate electronically.

3. APPLICATION FORM

Full name of Participant: _____

ID number: _____

Email address: _____

Cell number: _____

Telephone number: _____

Name of CSDP or broker (if shares are held in dematerialised format): _____

Contact number of CSDP/broker: _____

Contact person of CSDP/broker: _____

Number of share certificate (if applicable): _____

Signature: _____

Date: _____

TERMS AND CONDITIONS FOR PARTICIPATION IN THE AGM BY ELECTRONIC COMMUNICATION

- The cost of electronic participation in the AGM is for the expense of the Participant and will be billed separately by the Participant's own service provider.
- Participants acknowledge that the electronic communication services are provided by third parties and indemnify AVI against any loss, injury, damage, penalty, or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, Participants acknowledge that they will have no claim against AVI, whether for consequential damages or otherwise, arising out of the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking Participants via the electronic services to the AGM.
- The application to participate in the AGM electronically will only be deemed successful if this application form has been fully completed and signed by the Participant.
- AVI cannot guarantee that there will not be a break in electronic communication that is beyond the control of the Company.

Participant's name: _____

Signature: _____

Date: _____

NOTES

[illegible]

ADMINISTRATION AND PRINCIPAL SUBSIDIARIES

Administration

Company registration

AVI Limited ("AVI")
Reg No: 1944/017201/06
Share code: AVI
ISIN: ZAE000049433

Company Secretary

Vivien Crystal

Business address and registered office

2 Harries Road
Illovo
Johannesburg 2196
South Africa

Postal address

PO Box 1897
Saxonwold 2132
South Africa

Telephone: +27 (0)11 502 1300
Telefax: +27 (0)11 502 1301

E-mail: info@avi.co.za
Website: www.avi.co.za

Auditors

Ernst & Young Inc.

Sponsor

The Standard Bank of South Africa Limited

Commercial bankers

FirstRand Bank Limited

Transfer secretaries

Computershare Investor Services Proprietary Limited

Business address

Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg 2196

Postal address

Private bag X9000
Saxonwold 2132
South Africa

Telephone: +27 (0)11 370 5000
Telefax: +27 (0)11 370 5271

Principal subsidiaries

Food & Beverage Brands

National Brands Limited

Reg no: 1948/029389/06
(incorporating Entyce Beverages and Snackworks)

30 Sloane Street
Bryanston 2021

PO Box 5159
Rivonia 2128

Managing director – Snackworks

Michael Koursaris
Telephone: +27 (0)11 707 7200
Telefax: +27 (0)11 707 7799

Managing director – Entyce Beverages

Ted Willcox
Telephone: +27 (0)11 707 7000
Telefax: +27 (0)11 707 7799

I&J

Irvin & Johnson Holding Company Proprietary Limited

Reg no: 2004/013127/07

1 Davidson Street
Woodstock
Cape Town 7925

PO Box 1628
Cape Town 8000

Managing director

Roger Coppin
Telephone: +27 (0)21 440 7800
Telefax: +27 (0)21 440 7270

Fashion Brands

Personal Care

Indigo Brands Proprietary Limited

Reg no: 2003/009934/07

16 – 20 Evans Avenue
Epping 1 7460

PO Box 3460
Cape Town 8000

Managing director

Roger Coppin
Telephone: +27 (0)21 507 8500
Telefax: +27 (0)21 507 8501

Footwear & Apparel

A&D Spitz Proprietary Limited

Reg no: 1999/025520/07

30 Sloane Street Bryanston 2021

PO Box 782916
Sandton 2145

Acting managing director

Simon Crutchley
Telephone: +27 (0)11 707 7300
Telefax: +27 (0)11 707 7763

Directors

Executive

Simon Crutchley
(Chief Executive Officer)

Justin O'Meara
(Chief Financial Officer)

Michael Koursaris
(Business Development Director)

Independent non-executive

Mike Watters (Chairman)^{1,2,3}
Alexandra Muller^{3,4}
Steven Robinson⁴
Maserame Mouyeme^{3,4}
Valerie Davies²

¹ British.

² Member of the Remuneration, Nomination and Appointments Committee.

³ Member of the Social and Ethics Committee.

⁴ Member of the Audit and Risk Committee.

AVI

WWW.AVI.CO.ZA