

2024

CORPORATE CITIZENSHIP REPORT
EMPOWERING PEOPLE

ABOUT OUR REPORT

www.adcorpgroup.com

Our corporate citizenship vision is to “foster fair and efficient labour markets by providing decent and dignified work, creating value for our customers and employees and ultimately contributing to a sustainable future.”

Adcorp Holdings Limited, a leading JSE-listed workforce solutions provider, operates extensively in South Africa and Australia. We specialise in innovative human capital solutions, driving success and growth for our clients.

Reporting scope and boundary

This is Adcorp's first corporate citizenship report (CC report). It focuses on our Corporate Citizenship strategy, governance, sustainability-related risks and opportunities and sustainability performance for the period, **1 March 2023 to 29 February 2024**. Tailored for our stakeholders, it provides material information to support informed decision making about Adcorp. This report covers our South African and Australian operations and complements the information provided in our FY2024 integrated annual report.

For a comprehensive overview of our company, please explore our full reporting suite:

Our reporting suite



INTEGRATED
ANNUAL
REPORT



CORPORATE
CITIZENSHIP
REPORT



NOTICE OF
ANNUAL
GENERAL
MEETING



ANNUAL
FINANCIAL
STATEMENTS

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Corporate citizenship

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Navigation in this report

For ease of reference and further reading, the following icons are used in the report:



Further reference
in this report



Further reference
on www.adcorpgroup.com



Further reference
in the integrated annual report

Feedback

We value your feedback. Please send comments to ir@singular.co.za or CorporateCitizenship@adcorpgroup.com

Data disclaimer

While our ESG data is available in the public domain we cannot guarantee that inferring numbers by calculating various indicators will provide an accurate result. If you are interested in a specific indicator that is not available, please contact us on CorporateCitizenship@adcorpgroup.com and we will try our best to assist you.

Forward-looking statements

This report may contain forward-looking statements based on the board's current beliefs and information. These statements are inherently uncertain and involve risks. They may address business prospects, future developments, industry trends, cost control, operations, and risk management. These statements have not been reviewed or reported on by our external auditors.



Reporting approach

This report covers our Corporate Citizenship pillars:

- 1 Sustainability and ESG
- 2 Stakeholder Management
- 3 Corporate Social Responsibility
- 4 Diversity, Inclusion and Belonging

Guiding frameworks

Adcorp adheres to a range of international and South African reporting guidelines and best practices, including:

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (IFRS Foundation)
- Integrated Reporting Framework (IFRS Foundation)
- JSE Listings Requirements, including the JSE Sustainability Disclosure Guidance
- King IV Report on Corporate Governance™* for South Africa, 2016 (King IV™)
- Reference to the GRI Standards
- SASB Industry Standard for Professional and Commercial Services (IFRS Foundation)
- Sustainable Development Goals (SDGs)

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IFRS S1 alignment

In response to the new IFRS S1 Guidelines for Disclosure of Sustainability-related Financial Information (IFRS Foundation), effective 1 January 2024, Adcorp is aligning its reporting with this standard, acknowledging that it is a journey and we will add to the disclosure each year.

Double materiality approach | Relevance to multi-stakeholder

Adcorp employs a double materiality assessment to determine our material factors and improve stakeholder management processes. We provide relevant information on factors that have a material bearing on the Group's ability to create value over time (short-, medium-, long-term). We consider both:

- **Impact materiality:** Adcorp's impact on society and the environment, as well as their impact on Adcorp.
- **Financial materiality:** The financial implications of these factors.

See page 19 for an outline of our double materiality process.



Following this process, we have identified the following material themes:

- Market dynamics
- Our people
- Customer centricity
- Risk and compliance
- Corporate citizenship

Refer to page 20 for more information.

ABOUT OUR REPORT CONTINUED

Six capitals




The six capitals, as defined by the Integrated Reporting Frameworks (IFRS Foundation), influences our value creation, preservation and erosion activities. This corporate citizenship report  and the integrated annual report  address the Group's activities and performance related to each capital:



Financial capital

Financial resources deployed by the Company

Reference in report




- Our business and operating models 
- CFO's viewpoint 
- Consolidated financial statements 



Intellectual capital

Organisational knowledge, systems, protocols, expertise

Reference in report





- Our business and operating models 
- Our people 
- Sustainability and ESG 



Human capital

Skills, experience and capabilities of our board, management and employees

Reference in report



- CEO's viewpoint 
- Our people 
- Stakeholder engagement 
- Remuneration report 



Social and relationship capital

Relationships with and engagement within broader society and communities impacted by the Group

Reference in report

- CEO's and Chairperson's reflections 
- Ethical leadership 
- Stakeholder management 
- Corporate social responsibility 
- Diversity, inclusion and belonging 
- SESCom report 



Manufactured capital

Physical infrastructure

Reference in report



- Our business and operating models 



Natural capital

Our use and stewardship of natural resources

Reference in report

- Carbon footprint 
- Energy consumption 
- Water consumption 
- Waste management 

CEO'S AND CHAIRPERSON'S REFLECTIONS

"Our commitment to our people is unwavering. We believe that a diverse, inclusive, and engaged workforce is not only the right thing but is also essential to our long-term success."

Dr John Wentzel
CEO



"Our focus on ethical conduct, employee empowerment, and fair labour practices is not merely a matter of compliance; it's a reflection of our core values and a driver of sustainable business growth."

Gloria Serobe
Chairperson



Leading with purpose

As a workforce solutions company, Adcorp plays a vital role in society. We connect people with meaningful work, ensuring fair labour practices, safety, and dignity. We are committed to developing skills for the future and supporting the transition to a greener economy. We aim to reshape perceptions of contingent work, highlighting its value in career development and economic growth.

Navigating challenges, embracing opportunities

FY2024 was a year of resilience and transformation. Despite economic headwinds, we achieved significant milestones, including our first top-line growth in six years and a substantial increase in headline earnings per share (HEPS). This success is a testament to our strategic focus, operational efficiency, and the dedication of our people.

Empowering our people

Our people are our greatest asset. We are investing in their wellbeing, expanded learning and development opportunities, and initiatives promoting diversity, inclusion, and belonging. While we acknowledge the need to enhance our employee value proposition and experience, we are actively working to shift our culture and have seen positive results in employee engagement scores. We are committed to fair and responsible remuneration and are developing a total rewards statement (TRS) to better communicate the full value we offer our employees.

Empowering employer

As a level 1 B-BBEE contributor in South Africa at Adcorp Workforce Solutions, we actively drive transformation and empowerment. We prioritise meaningful impact over mere compliance, fostering diversity and inclusion in our workforce and supply chain. Our commitment to skills development and socioeconomic advancement creates opportunities for individuals and uplifts communities.

In Australia, our participation in the Pacific Australia Labour Mobility (PALM) scheme not only addresses labour shortages but also empowers workers from Pacific Island nations, providing them with opportunities for decent work and skills development.

Corporate citizenship

Our commitment to corporate citizenship is deeply ingrained in our values. We recognise that our long-term success is inextricably linked to fostering a positive workplace culture, ensuring the wellbeing of our employees, driving the growth of our clients, and promoting greater equality within our communities. This report details our proactive approach to addressing Environmental, Social and Governance (ESG) factors, from cultivating a diverse and inclusive workplace to identifying and managing sustainability-related risks and opportunities.



Health and safety

The tragic loss of a team member at a client site in February 2024 deeply saddens us. This event underscores the critical importance of safety in our operations. We have taken immediate corrective and preventative actions, and we remain committed to learning from this tragedy to prevent future incidents.

Engaging our stakeholders

We recognise the interconnectedness of our business with the broader community. We actively engage with a diverse range of stakeholders, valuing their perspectives and insights to identify and address material ESG factors. Our commitment to open communication and collaboration fosters mutually beneficial relationships that contribute to long-term value creation.

Looking ahead

We are dedicated to continuous improvement in our corporate citizenship journey. We will continue to strengthen relationships with our customers, providing high-quality service and supporting their sustainability goals. We will also maintain our focus on our people, offering dignified, safe, and decent work opportunities. By working together, we can create a more sustainable and prosperous future.

Appreciation

We extend our deepest gratitude to our dedicated employees, valued clients, and supportive stakeholders. Your contributions are invaluable to our progress, and we look forward to continuing this journey together.

Dr John Wentzel
CEO

Gloria Serobe
Chairperson

28 June 2024

CORPORATE CITIZENSHIP

EMPOWERING PEOPLE

Achievements

MAINTAINED

LEVEL 1 B-BBEE

ADCORP WORKFORCE SOLUTIONS (PTY) LTD

ECOVADIS BRONZE MEDAL

ON FIRST SUBMISSION

(TOP 35% OF RATED COMPANIES)

DOUBLE MATERIALITY

ASSESSMENT COMPLETED

Our focus SDGs:



Refer to page 24

EcoVadis – supply chain assessment – ESG responsible business practices

We recently completed our first comprehensive assessment of our sustainability practices with EcoVadis, the independent global standard for business sustainability ratings. The EcoVadis assessment includes 21 sustainability criteria across four core themes: **environment; labour and human rights; ethics; and sustainable procurement**. We are pleased to have achieved a score of **58%**, "**Bronze Medal**", **putting us in the top 35%** of all companies rated by EcoVadis. Our stakeholders can have confidence that we are committed to improving our responsible business practices.

This is the second year Adcorp is reporting on ESG data as part of our commitment to Corporate Citizenship. We are actively working to improve the completeness and accuracy of our data. Apparent declines in performance reflect improved data accuracy and completeness, not a deterioration in actual ESG performance.

ENVIRONMENTAL



247tCO₂e

(FY2023: 204tCO₂e)

**SCOPE 1
CARBON EMISSIONS**



2 436tCO₂e

(FY2023: 2 107tCO₂e)

**SCOPE 2
CARBON EMISSIONS**



22%

(FY2023: 30%)

RECYCLED WASTE



610 822kWh

(FY2023: 537 855kWh)

**OF RENEWABLE
ENERGY GENERATED
FROM SOLAR PV**



24 720kl

(FY2023: 17 218kl)

**MUNICIPAL WATER
CONSUMED**

SOCIAL



1 751

(FY2023: 1 799)

**PERMANENT
EMPLOYEES**



37%

(FY2023: 37%)

**FEMALE EMPLOYEES
IN SOUTH AFRICA**

4 170

(FY2023: 3 926)

**DEPLOYED
EMPLOYEES**



98%

(FY2023: 97%)

**BLACK EMPLOYEES
IN SOUTH AFRICA**

33 136

(FY2023: 33 045)

**CONTINGENT
EMPLOYEES**



11,0%

(FY2023: 15,5%)

**VOLUNTARY EMPLOYEE
TURNOVER
(PERMANENT AND
DEPLOYED EMPLOYEES)**



R18,4m

(FY2023: R21,1m)

**INVESTED IN
EMPLOYEE TRAINING
IN SOUTH AFRICA**



639

(FY2023: 264)

**LEARNERSHIPS AND
INTERNSHIPS PROVIDED**



OVERALL EMPLOYEE ENGAGEMENT SCORES

66%

 (FY2023: 64%)
in South Africa

68%

 (FY2023: 70%)
in Australia

R0,7m

 (New initiative
implemented in FY2024)

**SPEND ON YOUTH SCHOLARSHIPS FOR
EMPLOYEES' CHILDREN ON TERTIARY EDUCATION
IN SOUTH AFRICA**


R3,2m

**INVESTED
THROUGH
ENTERPRISE
DEVELOPMENT
WITH**

7

**BLACK-OWNED
SMMES**

R2,9m

**INVESTED
THROUGH
SOCIOECONOMIC
DEVELOPMENT
WITH**

5

**BLACK WOMEN-OWNED
BUSINESSES IN SOUTH AFRICA**

GOVERNANCE


6

(FY2023: 10)

**CASES REPORTED VIA
THE ETHICS HOTLINE**


Zero

(FY2023: zero)

**DATA BREACHES, NONE
INVOLVING CUSTOMER
CONFIDENTIAL
INFORMATION**


40%

(FY2023: 40%)

**WOMEN BOARD
MEMBERS**


60%

(FY2023: 60%)

**BLACK BOARD
MEMBERS**

Our Chief People Officer's short-term incentives (STIs) are structured with a 12,5% weight dedicated to achieving ESG targets.

Appointed a dedicated Head of Sustainability to manage function.

As the function matures, we will investigate ESG key performance indicators (KPIs) to incorporate for all executives.

CORPORATE CITIZENSHIP CONTINUED

Our corporate citizenship strategy

As a workforce company, we are about people and our values are what we aspire to live by. They bring us together as an organisation to achieve our purpose: *We enable agile, focused and skilled workforces for the future.* As we navigate the complexities of an ever-evolving landscape, we remain committed to creating value for our shareholders and society at large. Driven by a shared purpose, we progress confidently towards a future where sustainability, inclusivity, and prosperity intersect harmoniously. Corporate citizenship enables us to play a meaningful societal role while being a responsible business. It makes business sense, when we build trust, we build success.

Our corporate citizenship vision is to “foster fair and efficient labour markets by providing decent and dignified work, creating value for our customers and employees and ultimately contributing to a sustainable future.”

We embrace sustainability, ESG, corporate responsibility, social responsibility and diversity as core principles and believe true sustainability goes beyond compliance, recognising that our success is intertwined with serving others. We are therefore committed to transparency and accountability in our ESG disclosures.

Companies today are judged by their values, not just their finances. Integrating ESG, diversity, inclusion and belonging (DIB), and broad-based black economic empowerment (B-BBEE) drives inclusive growth and long-term success. Our main operating entity, Adcorp Workforce Solutions, is a level 1 B-BBEE empowerment business. We prioritise meaningful impact over simply chasing points and compliance.

Refer to page 43 for further detail on transformation.

Our integrated approach to transformation and ESG:

B-BBEE elements	Diversity, Inclusion and belonging	Social	Environmental
Ownership (increased black ownership)	Contributes to economic inclusion for historically disadvantaged South Africans	Contributes to a more equitable distribution of wealth within society	Invests in sustainable business practices to ensure long-term prosperity for future generations
Management control (black representation in leadership) and employment equity (black representation in the workforce)	Diverse perspectives at leadership levels lead to more inclusive decision making Focus on overall employee wellbeing	Improves employee value proposition and career development opportunities that develop a diverse talent pipeline	Diverse leaders are more likely to champion environmental sustainability efforts, acknowledging the interdependence
Skills development (up-skilling black employees)	Develops a more diverse and qualified workforce that is future fit and reflects the society in which we operate	Empowers diverse employees for career advancement with increased earning potential Provide access for first time employees with a specific focus on unemployed youth	Increases in environmental awareness can lead to developing innovative solutions that are future fit and address our customers' needs
Enterprise and supplier development (supporting black businesses)	Provides access to markets for emerging black businesses and strengthens the diversity of the overall business ecosystem	Creates economic opportunities within vulnerable communities with a focus on responsible supply chain practices	Supports development of diverse businesses that have shared sustainable supply chain practices
Socioeconomic development (investing in black communities)	Fosters a more inclusive society by supporting vulnerable societal groups	Contributes to improved livelihoods and opportunities	Encourages climate adaptations to protect communities vulnerable to climate change

Our corporate citizenship strategy, informed by our business strategy, purpose, values, material factors and best practices, focuses on four core pillars for positive impact across the markets we operate in:



Corporate citizenship enables us to play a meaningful role in society, while being a responsible business. It makes business sense, when we build trust, we build success.

Target-setting progress

We are currently in the investigative stage of establishing sustainability-related targets that align with our business objectives. It is crucial that these targets are not only meaningful but also practical and effective. To achieve this, we are undertaking a comprehensive and inclusive process, engaging stakeholders from across the organisation. By gathering insights, assessing risks, and evaluating opportunities, we aim to set targets that not only address ESG factors but also contribute to our long-term business success. This inclusive approach ensures that our sustainability efforts are well-informed, transparent and capable of making a tangible impact on both our business and the world around us.

Stakeholder management

Interaction with our stakeholders is essential to our business plan and long-term success. We are dedicated to keeping lines of communication open, timely and consistent with all stakeholders, and we frequently interact with a variety of stakeholder groups. These interactions provide feedback to the board, which has an impact on our critical strategic choices and the recognition of our material factors.

Stakeholder engagement involves building and maintaining relationships and is important in addressing concerns before they escalate into issues. Part of being a responsible corporate citizen is partnering with organised business to help us play an active role in moving society forward.

Adcorp employs a **decentralised stakeholder engagement model**, empowering individual business units, legal entities, and corporate functions to manage their stakeholder interactions and address concerns proactively. This process is **overseen by the CEO's office** to ensure alignment with the Company's overall strategic objectives and values.

Stakeholder engagement and relationship management is integrated into the ongoing management activities of the divisions and Group functions. To gather our stakeholder concerns, in addition to town halls and face-to-face engagements, we make use of effective tools and consult with industry experts such as Culture Amp and nLightencx. The insights gained are used to guide strategy and communication to ensure a sustainable value chain. We also conduct customer and employee surveys which inform our engagement. Quarterly client satisfaction surveys, which are conducted for all our business segments, provide us with valuable insight regarding the areas we need to improve on. For the financial year under review, we achieved 92% (FY2023 87%) strategic and 81% operational (FY2023 83%) customer satisfaction ratings. For details on our employee engagement results, refer to page 28. These results assist us in revising strategic focus where required and driving relevant conversations with our clients, as well as internally, to address concerns.

We communicate with stakeholders through our website, presentations, interaction with the media, one-on-one meetings and ongoing informal and formal discussions. We have made it a point to increase our face-to-face interaction with stakeholders, these include our employees, customers and investors.

To ensure all stakeholders are engaged with the high level that can be expected from Adcorp each stakeholder group is assigned a relationship manager. These are individuals that are closest to the relationship and interact regularly with the specific stakeholder. They are expected to manage their relationships in line with the Group's purpose, values and culture.

CORPORATE CITIZENSHIP CONTINUED

Building mutually beneficial relationships that create value for Adcorp and our stakeholders



Industry memberships

If you would like to find out more about any of the industry bodies, please click on the relevant hyperlink.



South Africa

BEE Chamber	
Business Process Enabling South Africa (BPESA)	
Confederation of Associations in the Private Employment Sector (CAPES)	
Constructional Engineering Association of South Africa (CEA)	
Federation of African Professional Staffing Organisations (APSO)	
Information Technology Association of South Africa (ITA)	
National Business Initiative (NBI)	
National Contract Cleaners Association (NCCA)	
Steel and Engineering Industries Federation of Southern Africa (SEIFSA)	
The Worldwide Cleaning Industry Association (ISSA)	



Australia

Association of Professional Staffing Companies in Australia (APSCO)	
Australian Industry Group (AIG)	
Australian Network on Disability (AND)	
Females in Information Technology (FiIT)	
Recruitment, Consulting and Staffing Association (RCSA)	

Stakeholder categorisation

We have categorised our stakeholders into primary, secondary, and tertiary groups, utilising stakeholder matrices derived from the workshops, business relevance, and industry research. This

framework is not intended to diminish the importance of any particular stakeholder group; instead, it serves as a strategic tool for efficiently managing our finite resources.

Primary	Secondary	Tertiary
<ul style="list-style-type: none"> Direct and significant commercial interest in Adcorp 	<ul style="list-style-type: none"> Indirect or less immediate commercial interest in Adcorp. Their opinions, actions or support can impact us 	<ul style="list-style-type: none"> Minimal/distant interest in the outcomes of Adcorp and may not significantly impact operations

For the purpose of public reporting, we only disclose our primary and secondary stakeholders, while we remain committed to monitoring the needs and concerns of tertiary stakeholders. Our identified primary and secondary stakeholders are set out below:

Stakeholders

Sustainable value chains require us to consider the needs and interests of our stakeholders.







Primary stakeholders	Secondary stakeholders
Candidates	Auditors
Customers	Financial institutions
Employees	Government and regulators
Shareholders	Industry bodies and advocacy groups
	Media – social media, digital platforms, journalists
	Suppliers and service providers
	Trade unions and bargaining councils







CORPORATE CITIZENSHIP CONTINUED

What matters to our stakeholders

Primary stakeholders





Our stakeholder management is founded on transparent and consistent stakeholder engagement:

Stakeholder group	Focus SDGs	Key concerns	What we are doing	How we engage
CANDIDATES	  	<ul style="list-style-type: none"> • Employment opportunities and fair recruitment • Diversity, inclusion and belonging • Fair and responsible remuneration • Career development opportunities 	<p>Providing equal opportunities for all candidates, ensuring fair and transparent recruitment processes</p> <ul style="list-style-type: none"> • Diverse interview panels • DEI committees in South Africa • Skills development programmes • Market comparable remuneration • Professional development plans 	<ul style="list-style-type: none"> • Job board, online applications, one-on-one engagements • Career fairs and events • Assessments and interviews
CUSTOMERS	  	<ul style="list-style-type: none"> • Service quality • Customer satisfaction • Sustainable and ethical sourcing • Data privacy • Fair and safe working conditions • B-BBEE compliance in South Africa 	<p>Ensuring high-quality products and services, addressing customer feedback and concerns promptly and implementing sustainable practices in product development</p> <ul style="list-style-type: none"> • Sustainable business practices • Ethical and responsible sourcing practices • Safety, Health, Environment and Quality (SHEQ) Compliance • Data security measures • Level 1 B-BBEE empowering supplier 	<ul style="list-style-type: none"> • Regular one-on-one meetings • Regular client satisfaction surveys • Annual ESG due diligence surveys • Ad hoc tender requests for new business

Stakeholder group	Focus SDGs	Key concerns	What we are doing	How we engage
EMPLOYEES	   	<ul style="list-style-type: none"> • Wellbeing, safe and healthy work environment • Competitive remuneration and benefits • Work-life balance • Career development with equal opportunities • Skills development • Employee satisfaction 	<p>Promoting diversity and inclusion, providing training and development opportunities, ensuring fair remuneration and benefits and prioritising employee health and safety</p> <ul style="list-style-type: none"> • Safety training and safe working environments • Employee wellbeing initiatives • Fair remuneration packages • Regular salary benchmarking • Skills development with a particular focus on women and ACI employees • Mentorship programmes for women 	<ul style="list-style-type: none"> • Regular updates through internal communication platforms (intranet, emailers, town halls) • Regular team and management discussions • Biannual performance reviews and professional development plans • Annual employee engagement surveys
SHAREHOLDERS	 	<ul style="list-style-type: none"> • Long-term financial performance • Transparency and accountability • Strong corporate governance and responsible business practices • Board diversity and competence 	<p>Maintaining transparency in financial reporting, adhering to corporate governance standards and delivering sustainable financial returns to shareholders</p> <ul style="list-style-type: none"> • Focus on long-term value creation • Transparent reporting • Strong corporate governance practices • Diverse and capable leadership 	<ul style="list-style-type: none"> • Regular investor presentations and website updates • Regular analyst meetings • Annual AGMs, voting and Q&A • Annual and interim financial results • Ad hoc direct communication

CORPORATE CITIZENSHIP CONTINUED

Secondary stakeholders

Stakeholder group	Focus SDGs	Key concerns	What we are doing	How we engage
AUDITORS	Various	Ensuring accuracy and transparency in reporting	Providing accurate and transparent financial data in our annual financial statements for auditing purposes	<ul style="list-style-type: none"> Regular one-on-one meetings Quarterly ARC meetings (invitee) Direct engagement with ARC members Engagement with management and Group finance Secure data sharing platforms
FINANCIAL INSTITUTIONS		Economic stability and risk management	Implementing sustainable business practices to mitigate financial risks	<ul style="list-style-type: none"> Regular investor presentations and reports ESG due diligence requests Secure banking and insurance platforms
GOVERNMENT AND REGULATORS	 	Compliance with regulations and supporting relevant government initiatives	Proactively identifying and monitoring compliance with relevant regulations and legislation, collaborating with government initiatives to support sustainable development	<ul style="list-style-type: none"> Ad hoc submissions and reports required by law Ad hoc meetings with regulators Ad hoc participation in public consultation and policy discussions
INDUSTRY BODIES AND ADVOCACY GROUPS		Advocating for improved industry standards and sustainability practices	Participating in industry forums and adopting best practices recommended by advocacy groups	<ul style="list-style-type: none"> Annual membership renewals and updates Regular participation in events Ad hoc collaboration on joint initiatives Ad hoc attendance at industry conferences and events

Stakeholder group	Focus SDGs	Key concerns	What we are doing	How we engage
MEDIA – SOCIAL MEDIA, DIGITAL PLATFORMS, JOURNALISTS	Various	Reporting on corporate activities and social impact	Engaging in transparent communication and providing accurate information to maintain a positive public image and reputation	<ul style="list-style-type: none"> Regular social media engagement Regular media monitoring Ad hoc press releases for Company news Ad hoc media briefings Ad hoc thought leadership
SUPPLIERS AND SERVICE PROVIDERS	 	Ethical sourcing, sustainability of supply chain, access to fair opportunities	Collaborating with suppliers to ensure ethical sourcing practices and promoting sustainability initiatives within the supply chain. Offering fair opportunities to and supporting SMMEs	<ul style="list-style-type: none"> Regular one-on-one engagements Regular performance reviews Annual due diligence requests Ad hoc request for products and/or services
SUPPLIERS AND SERVICE PROVIDERS		Worker rights, fair and responsible labour practices	Constructive dialogue with trade unions, ensuring fair wages and safe working conditions for employees	<ul style="list-style-type: none"> Regular meetings and consultations with representatives Ad hoc collective bargaining agreements Ad hoc dispute resolution engagements

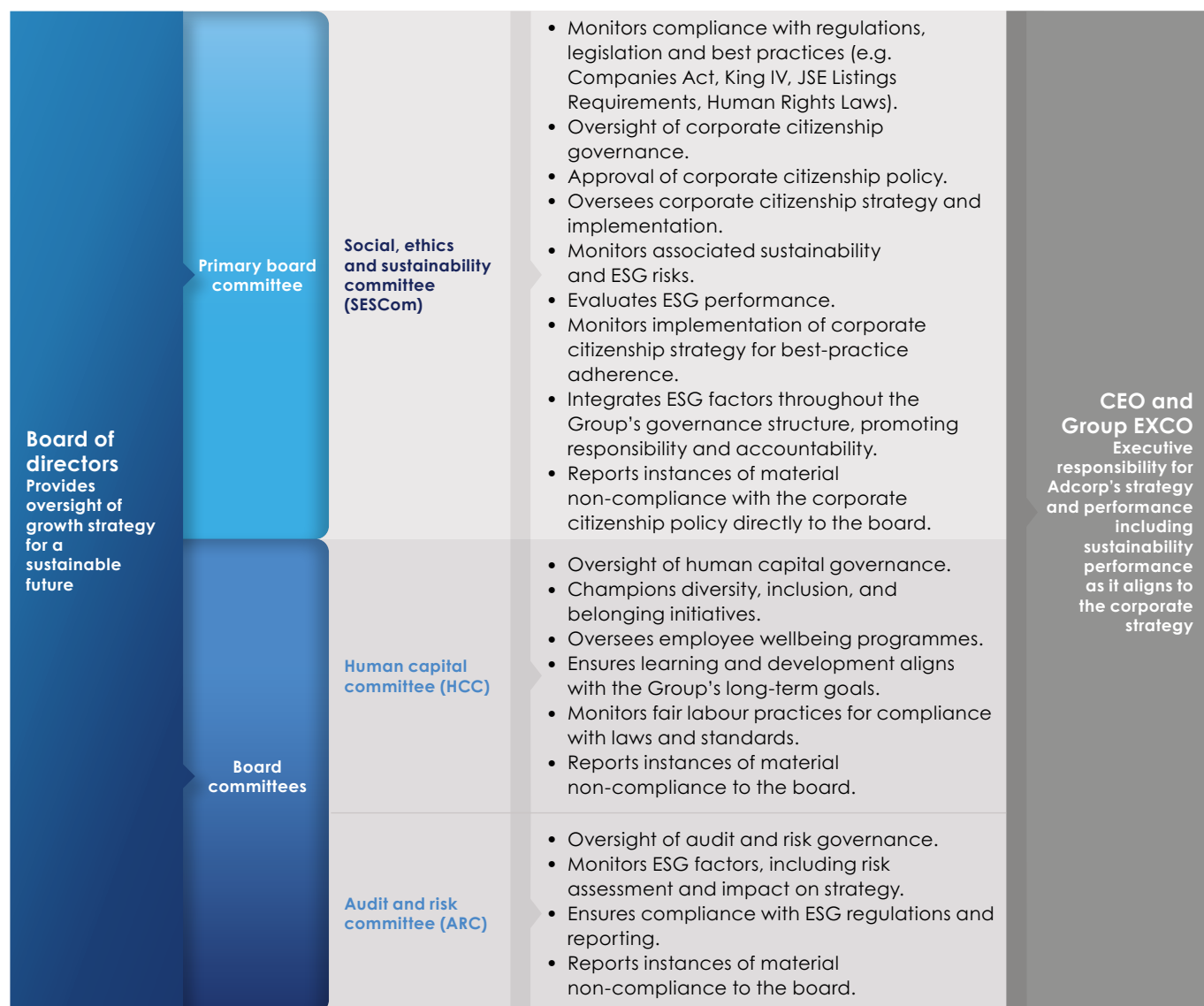
CORPORATE CITIZENSHIP CONTINUED

How we apply our governance in relation to corporate citizenship

Roles and responsibilities of our board and management

At Adcorp, our corporate citizenship governance model is based on innovating for a sustainable future. This plan includes different groups of people, including governing bodies, committees, executives and senior leaders working together to ensure everyone in the Group is committed to being sustainable, while managing related risks and opportunities.

Corporate citizenship governance model



Roles and responsibilities

Executive oversight and support		Corporate Citizenship responsibilities
Chief People Officer	Head Sustainability Transformation Manager Human Capital Executives	<ul style="list-style-type: none"> Corporate Citizenship Diversity, Inclusion and Belonging Employee Value Proposition, including talent acquisition, retention, management and professional development Fair labour practices
Company Secretary	Assistant Company Secretary	<ul style="list-style-type: none"> Corporate Governance Standards Global business conduct standards Regulatory affairs
Chief Technology Officer	Technology Managers	<ul style="list-style-type: none"> Alignment of technology investments to green technology standards Data security and privacy Inclusive technology
Chief Financial Officer	Finance Executives Group Tax Executive Head Risk and Compliance Head Treasury, Procurement and Facilities Legal Advisers	<ul style="list-style-type: none"> Risk and compliance management Allocation of corporate citizenship budgets to support responsible business practices Responsible procurement practices that support ESG and B-BBEE best practices Facilities management in line with green building standards Tax transparency
Group Sales Executive	Brand Managing Executives	<ul style="list-style-type: none"> Integrate corporate citizenship into sales, tenders, and existing customer relationships to strengthen our value proposition
Managing Director: Professional Services Managing Director: Functional Outsourcing Managing Director: Contingent Staffing Managing Director: Adcorp Holdings Australia	Managing Executives	<ul style="list-style-type: none"> SHEQ Compliance Integrate corporate citizenship into sales, tenders, and existing customer relationships to strengthen our value proposition Establish risk management and corporate citizenship standards at the appropriate level of detail in proportion to the nature, scope, complexity and risks associated
Head of Marketing	Public Relations and Communications Specialist Marketing Managers	<ul style="list-style-type: none"> Prevent "greenwashing" Coordinate crises control

Executive remuneration linked to ESG

We are committed to aligning executive remuneration with our ESG and SHEQ priorities. Currently, 12.5% of the Chief People Officer's STIs reflects performance in ESG specifically, excluding other social KPIs in her role as CPO.

Corporate citizenship policy

The corporate citizenship policy has been developed to enable the Group corporate citizenship strategy and ensure that Adcorp remains a responsible business aligned to global best practices. The policy covers the four corporate citizenship pillars set out on page 9 and outlines the principles for integrating corporate citizenship practices into our operations and decision making. The policy is expanded and supported by statements that demonstrate our commitment to important ESG factors.

Policy statements:

1. As a socially responsible business, integrate ESG factors into our operations to uphold sustainability and ethical standards in our business practices
2. Embed sustainability and ESG practices in our business activities to foster long-term resilience and responsible corporate citizenship
3. Build and sustain relationships with our stakeholders to enhance our reputation through effective engagement and collaboration
4. Contribute to societal progress by providing decent and dignified work, leveraging our resources and expertise to support individuals and communities
5. Contribute to meaningful diversity, inclusion and belonging, fostering the wellbeing of our employees



View the full corporate citizenship policy
<https://www.adcorpgroup.com/about/corporate-citizenship/>

CORPORATE CITIZENSHIP CONTINUED

Human Rights statement

Adcorp Group is committed to upholding the human rights of all stakeholders involved in our operations, including but not limited to employees, contractors, customers, learners, candidates of employment and stakeholders. We recognise that human rights are basic and universal rights that underpin each person's inherent freedom, dignity and equality as outlined in the United Nations Universal Declaration of Human Rights, the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, and the Organisation for Economic Cooperation and Development's

human rights practices that aim to ensure that economic development and prosperity are achieved in a manner that respects and promotes human rights for all.

As a responsible corporate citizen, we acknowledge our responsibility to respect human rights and to promote their protection. We believe that respect for human rights is essential to building a sustainable and successful business, and we strive to integrate human rights considerations into all aspects of our operations.

**Respect for human rights:**

We are committed to respecting the human rights of all individuals, regardless of their race, sexuality, nationality, religion, or other personal characteristics. We will not tolerate discrimination, harassment, or any other form of human rights abuse in our operations.

01

**Employee rights:**

We recognise the rights of our employees to work in an environment free from harassment, intimidation and discrimination. We are committed to providing dignified work opportunities that remunerate fairly and providing opportunities for career growth and development.

02

**Due diligence:**

We exercise due diligence to identify, prevent and mitigate any negative human rights impacts of our operations. We assess our customers, suppliers and partners for their compliance with human rights principles, and we take appropriate action when necessary.

03

**Stakeholder engagement:**

We engage with our stakeholders, including but not limited to customers, suppliers, trade unions and communities, to promote respect for human rights and to understand their perspectives and concerns.

04

**Reporting and monitoring:**

We encourage individuals and stakeholders to report any potential human rights violations or concerns, and we take appropriate action to address these reports. We also monitor our operations to ensure that we are meeting our human rights commitments. We encourage all stakeholders to utilise the tip-off line as listed below.

05

**Independent anonymous, Deloitte managed,
Adcorp Group Ethics Line:**

Free call: 0800 22 32 11

Website: <http://tip-offs.com>

Email: advalue@tip-offs.com

Adcorp Group is committed to upholding these principles and to continuously improving our human rights practices. We recognise that this is an ongoing journey, and we are committed to transparency, accountability and continuous improvement.



View the Human Rights Statement <https://www.adcorpgroup.com/about/corporate-citizenship/>



Modern slavery statement

Our commitment to ethical business practices and human rights includes a **zero-tolerance approach to modern slavery, human trafficking, and child labour** throughout our operations and supply chain. We recognise the complex nature of these issues and pledge continuous improvement, robust reporting mechanisms, and transparency to combat them.

This statement outlines our commitments to legal and best-practice compliance, protection of individuals within our business and supply chains, ethical recruitment, and empowerment through awareness and support. Our modern slavery statement reaffirms our dedication to ethical practices and a world where fundamental freedoms and dignity are universal.



View the full statement <https://www.adcorpgroup.com/about/corporate-citizenship/>

How we have assessed our sustainability-related risks

EcoVadis – supply chain assessment – ESG responsible business practices

We recently completed our first comprehensive assessment of our sustainability practices with EcoVadis, the independent global standard for business sustainability ratings. The EcoVadis assessment includes 21 sustainability criteria across four core themes: **environment; labour and human rights; ethics; and sustainable procurement**. We are pleased to have achieved a score of **58%, "Bronze Medal", putting us in the top 35%** of all companies rated by EcoVadis. Our stakeholders can have confidence that we are committed to improving our responsible business practices.

Double materiality assessment

During FY2024, we performed a double materiality assessment to determine our material themes and improve our stakeholder management processes. For double materiality, we considered impact (ESG) materiality, looking at Adcorp's impact on society and the environment and the impact of society and the environment on Adcorp. Additionally, we considered the financial materiality to align with our business context. The below processes were followed:

- 1** A literature review of standards, best practice, competitors and internal documents.
- 2** Consideration of internal stakeholder surveys, such as our employee engagement and customer satisfaction index.
- 3** Workshops for both South Africa and Australia at the executive and director level. This offered distinct geographic perspectives across the materiality matrices.
- 4** Analysis to prioritise our material factors into themes, our stakeholders into relevant categories and to identify the SDGs where we could make a material impact.
- 5** Results were shared and have been integrated into our corporate citizenship strategy to ensure that it is integrated into our business.

Key outcomes

- **Stakeholder prioritisation**
 - o Stakeholders were classified as primary, secondary or tertiary to encourage effective engagement.
- **Balance priorities**
 - o While many factors were deemed highly important, the materiality matrix highlighted the need to carefully balance priorities to improve business efficiencies.
- **The Adcorp brand's distinguishing features,** see **IAR** for more details:
 - o Technical excellence.
 - o Customer-centric approach.
 - o Comprehensive risk and compliance management.
 - o Positive workplace culture.
- **Developmental areas:**
 - o We know that we need to enhance our employee value proposition, stay on top of changing legislation, strengthen our industry leadership, and optimise efficiencies.
- **Culture:**
 - o We have identified cultural strengths and weaknesses to inform ongoing improvements for a "winning culture".
- **SDG focus was narrowed down to four SDGs,** where we can make the most positive impact:

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES
- **A high-level maturity path** has been outlined, emphasising that improvement is an ongoing journey. Going forward we will:
 - o Increase focus on culture and wellbeing, while embedding corporate citizenship in the business.
 - o Define ESG-related targets.
 - o Develop stakeholder engagement standards.

CORPORATE CITIZENSHIP CONTINUED

Our material themes

We plotted our material factors on a materiality matrix, where we looked at the importance of the material factor to Adcorp and our stakeholders and the impact on Adcorp, society and the environment. Our identified material themes are set out below:

Market dynamics

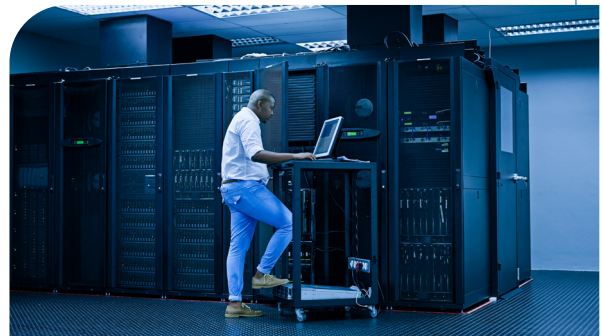
- Economic conditions
- Labour market trends and demand
- Customer contracts and cost optimisation
- Competitive landscape

Customer centricity

- Customer base and diversification
- Satisfaction and quality control
- Customer turnover
- Contracts and agreements

Our people

- HR technology and skills
- Diversity, inclusion and belonging
- Health and wellbeing
- Labour opportunities

Risk and compliance

- Legal and compliance risk
- Risk appetite
- Cybersecurity
- Keeping up with technology advancements e.g. artificial intelligence, machine learning
- Crises management and disaster preparedness

Corporate citizenship

- Responsible ESG business practices
- Responsible supply chain practices
- Human rights and social responsibility
- Environmental stewardship



Sustainability-related risks

Our proactive approach to sustainability-related risk management aligns with the growing global focus on ESG concerns, as highlighted in the **World Economic Forum's Top Risks report for 2024**. We understand that risks such as misinformation and disinformation, extreme weather events, societal polarisation, cyber insecurity and lack of economic

opportunity can significantly impact our operations, resilience, and long-term success. Currently, we find sustainability and climate scenario analysis unnecessary when considering our resources and time required, but we'll explore their value further and assess future needs. Below we have identified our key sustainability-related (ESG) risks:

Sustainability-related (ESG) risks	Mitigating controls in place
Lack of ESG data transparency Increased scrutiny, loss of trust, operational and strategic risks	Implementing online ESG data management, transparent reporting, and enhancing ESG management capabilities
Insufficient Human Rights protection Impact on employee morale, compliance issues, loss of contracts, brand damage	Fostering a strong corporate culture, providing avenues for anonymous reporting, and implementing policies to prevent harassment
Negative stakeholder sentiment Reduced productivity, supply chain disruptions, brand damage, loss of social licence	Engaging stakeholders effectively, conducting sentiment surveys where necessary, and implementing crisis management processes
Compliance to relevant ESG legislation and standards Difficulty in compliance, decreased investments	Maintaining transparent reporting practices, utilising online tools for data management, and staying abreast of regulatory changes
Climate-related risks <ul style="list-style-type: none"> • Physical risks: immediate and direct consequences of climate changes on physical assets and infrastructure • Transitional risks: from the global shift towards a low-carbon economy and the implementation of policies, regulations, market changes and technological advancements 	Physical risks: Ensuring resilient operations and maintaining a diverse client base Transitional risks: Embracing digitalisation, adopting hybrid work models, and staying informed about evolving legislation
Loadshedding/watershedding in South Africa Restrictions or rationing of electricity and/or water supply to specific areas or consumers	Loadshedding: Diversifying client base, enabling remote work, and investing in alternative power solutions Watershedding: Securing backup water sources, implementing alternative water solutions, and adhering to health and safety standards

CORPORATE CITIZENSHIP CONTINUED

The *WEF's Top Risks report for 2024* emphasises the necessity of addressing ESG risks. Recognising this, we are transforming sustainability-related (ESG) challenges into opportunities to future-proof our business and contribute to a more sustainable world.

Sustainability-related opportunities

Sustainability-related (ESG) opportunities	Our focus
Supplier of choice Companies increasingly prioritise working with responsible suppliers who effectively manage ESG risks and opportunities	Highlight our commitment to sustainability and responsible practices to attract new clients and strengthen existing partnerships
Employee value proposition Attract and retain top talent by demonstrating our commitment to social responsibility and community impact	Foster a positive, purpose-driven workplace culture that resonates with environmentally and socially conscious employees
Reduced risks Proactive management of sustainability-related risks enhances resilience, decision making, and overall value	Implement robust risk assessment and mitigation strategies across environmental, social, and governance areas
Operational efficiency and cost savings Implementing sustainable practices can reduce energy and water consumption, waste generation, and resource costs	Identify and implement efficiency measures across operations to lower costs and improve environmental performance
Regulatory compliance and preparedness Evolving sustainability regulations create both risks and opportunities	Stay ahead of regulatory changes; proactively update policies and procedures to maintain compliance and seek competitive advantages from preparedness
Investor interest Investors increasingly favour companies with strong ESG performance	Clearly communicate sustainability goals, metrics, and achievements to attract responsible investors



Sustainability-related management systems

We are embracing digitalisation to streamline our processes and provide additional insights. We have implemented a number of systems across the business.

IT platforms

We are embracing digitalisation to streamline our processes and provide additional insights. We have implemented several systems across the business to help us manage our IT platforms.

Group risk management system

We have implemented an integrated governance, risk, and compliance (GRC) software solution, enriched with legislative content, including by-laws. Designed to safeguard reputation, this comprehensive tool offers management a dependable platform for GRC management, combining critical legal insights with advanced software capabilities.

SHEQ system

Our commitment to fostering a safe, healthy, and environmentally sustainable work environment is demonstrated through the implementation of an integrated SHEQ management system. This system adheres to ISO 9001 and ISO 45001 standards and aligns with ISO 14001 standards, embodying our dedication to excellence and continuous improvement. South Africa is digitising traditional paper-based SHEQ processes with a mobile and web-based application.

Labour Solutions Australia (LSA) in Australia has implemented a comprehensive SHEQ system focused on proactive management and injury mitigation, showcasing our commitment to SHEQ.

Human capital technology

We use innovative technology platforms to drive efficiency, enhance leadership decision making, improve transparency and identify insights. Since October 2020, our chosen enterprise resource planning system has automated numerous HC processes, including absence and performance

management, remuneration and benefits, talent management, and analytics. This system integrates with our payroll processing to ensure timely employee payments and legislative compliance. Additionally, we employ a feedback platform to give employees a voice, enabling annual engagement surveys and the implementation of action plans based on the insights gathered. We are committed to continually leveraging our HC technology platforms and incorporating new features each year.

Environmental management systems

We have a building management system that plays a pivotal role in effectively managing the environmental impact of our head office. Allowing us to manage consumption in real-time based on the occupancy and areas requirements.

Online ESG data management system

Throughout the year, we made substantial progress in strengthening our ESG data collection by finalising key ESG indicators for tracking, implementing a comprehensive data management system, and deploying it to designated data owners across departments. These data owners regularly input their data, which is then analysed to provide valuable insights, further enhancing our ESG strategies and reporting capabilities.

For South Africa, an online B-BBEE management toolkit

Our software offers a sophisticated digital B-BBEE compliance management system tailored for companies across all sizes and industries. It simplifies compliance procedures by enabling users to set targets based on specific employee numbers and Company financial metrics, ensuring the establishment of realistic and achievable B-BBEE compliance goals. The platform encompasses comprehensive functionalities for analysis, tracking, monitoring, and reporting, equipped with intuitive dashboards that cover all essential B-BBEE elements.

CORPORATE CITIZENSHIP CONTINUED

Sustainable Development Goals

The UN SDGs provide guidance for addressing global challenges for a better world. They are a **"shared blueprint for peace and prosperity for people and the planet, now and into the future"**. The goals are set to be achieved by 2030, however current projections show that we will fall short. It is important for us all to do our part if we are going to achieve the SDGs in only six years' time.

Following our double materiality exercise, we noted that we had previously prioritised too many of the SDGs. If we are going to make a meaningful difference, we realised we would need to reduce the number of our focus SDGs. As a result, we

Our focus SDGs are:




now have four focus SDGs and while we still contribute to most of the SDGs in one way or another, these are the four where we can have the greatest positive impact. We prioritise SDGs aligning with our expertise as a workforce solutions provider, emphasising four SDGs where we have the largest impact.


Our contribution to the SDGs

We are committed to responsible corporate citizenship aligned to the SDGs.

SDG	SDG target	Our focus/contribution
	3.4 Prevent non-communicable diseases and promote mental health	<ul style="list-style-type: none"> Health checks, mental wellbeing programmes, mandatory health plans for permanent employees
	3.9 Reduce illness from hazardous substances and pollution	<ul style="list-style-type: none"> Safe cleaning materials, hygiene promotion, workplace safety improvements, SHEQ training, personal protective equipment provision
	5.1 End discrimination against women and girls	<ul style="list-style-type: none"> Fair labour practices and policies that reduce discrimination
	5.2 Eliminate violence against women and girls	<ul style="list-style-type: none"> GBV training, awareness campaigns
	5.5 Ensure women's participation and equal opportunities in leadership	<ul style="list-style-type: none"> Tracking workforce demographics, diversity and inclusion initiatives, family responsibility leave, maternity/paternity leave, Women in Leadership training, gender diversity on the board (currently 40% female)
	5.b Use technology to promote women's empowerment	<ul style="list-style-type: none"> Encouraging female participation in information and communication technology

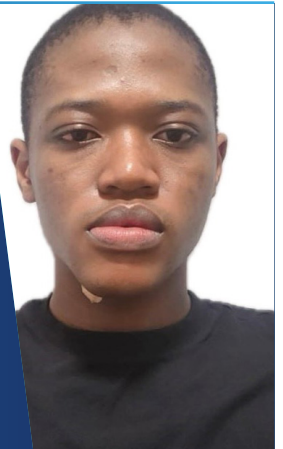
SDG	SDG target	Our focus/contribution
	8.2 Achieve higher productivity through innovation	<ul style="list-style-type: none"> Promoting diverse job types in the gig economy and temporary employment
	8.3 Support job creation and entrepreneurship	<ul style="list-style-type: none"> Skills development programmes, SED/ED initiatives supporting businesses
	8.4 Improve resource efficiency and sustainability	<ul style="list-style-type: none"> Sustainable use of resources, renewable energy at Adcorp Place, waste management, water conservation
	8.5 Achieve full employment and decent work	<ul style="list-style-type: none"> Increasing placements in contingent workforce aligned with our just transition statement, enhance the ICAN brand for disabled employment
	8.6 Reduce youth unemployment	<ul style="list-style-type: none"> Promoting youth employability, youth scholarship for employees' children, training programmes, learnerships/ internships
	8.7 Eradicate forced labour and child labour	<ul style="list-style-type: none"> Human rights statement, modern slavery statement, anonymous whistleblowing hotline, responsible labour practices
	8.8 Protect labour rights and promote safe working conditions	<ul style="list-style-type: none"> Ethical business practices, anti-corruption, safe working conditions (physical and psychological), PALM Scheme standards for foreign employees

CORPORATE CITIZENSHIP CONTINUED

SDG	SDG target	Our focus/contribution
	10.1 Contribute to income growth for the bottom 40%	<ul style="list-style-type: none"> Promoting contingent employment as an entry point, enhancing opportunities for higher-paid work
	10.2 Promote social and economic inclusion	<ul style="list-style-type: none"> Enabling employment for disabled and youth, promoting diversity and inclusion Enable a diverse, inclusive environment where everyone feels that they belong
	10.3 Ensure equal opportunity and reduce inequalities	<ul style="list-style-type: none"> B-BBEE Level 1 in South Africa, recognised as an empowering supplier in South Africa
	10.4 Adopt fair wage and social protection to promote equality	<ul style="list-style-type: none"> Aiming to transition towards living wage, PALM Scheme for access to decent work and skills development.

"I am truly grateful to be a recipient of the Adcorp scholarship. This generous financial support has played an important role in my academic journey as an electrical engineering student at North West University. Before receiving this scholarship, I faced significant financial challenges that threatened to derail my educational aspirations. The cost of tuition and accommodation was a constant source of stress, making it difficult to focus on my studies. However, the scholarship has alleviated this burden, allowing me to fully dedicate myself to my coursework and practical projects. I extend my heartfelt thanks to the donors and administrators of the scholarship. Your investment in my future is immensely appreciated and will have a lasting impact on my life."

Thabo Pule, Youth Scholar Bursar



Our people

Adcorp is dedicated to building a culture of high performance and employee wellbeing, ensuring our workforce is adaptable and prepared for the challenges of the future.

We believe in attracting, nurturing and retaining exceptional talent underpinned by diversity, inclusion and belonging (DIB).

We lead with purpose by harnessing our core values to drive impactful decisions and inspire a shared vision for a better future. We achieve this through our five core strategic levers:



Culture and engagement

- We actively foster a culture of DIB and wellbeing where everyone feels valued and respected.
- We prioritise employee feedback and engagement to continuously improve the employee experience.



Work and structure

- We promote work-life balance and wellbeing through flexible work arrangements, generous time off, and wellbeing programmes.



Competencies and skills

- We emphasise interpersonal and cultural competency skills alongside technical expertise, as they are essential for creating a truly inclusive environment.



Reward, incentives and recognition

- We recognise and reward employees who champion values of wellbeing and DIB.



Diversity, inclusion and belonging

- We cultivate a diverse workforce where all employees feel valued, respected, and empowered to contribute their unique perspectives.

Five strategic levers for human resources

CORPORATE CITIZENSHIP CONTINUED

We set clear DIB goals, track our progress with metrics, and regularly refine our strategy to ensure continuous improvement.

Engaging with our permanent employees – our everyday heroes

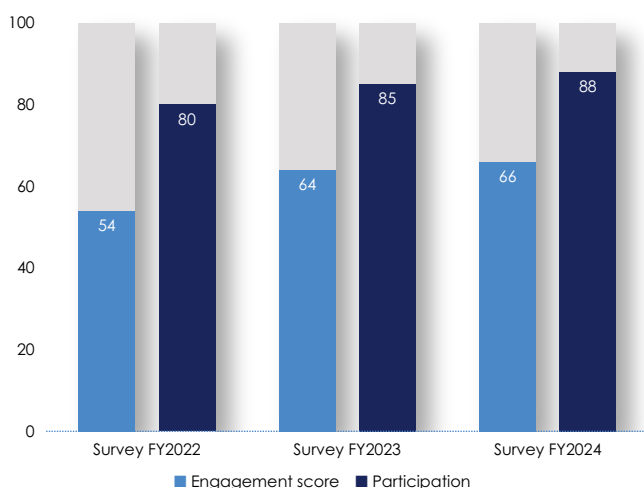
During the past three years, we have undertaken a cultural transformation journey, actively introducing and integrating our values and behaviours in line with our purpose. Over the past year, we have led initiatives to recognise employees who embody these values. This involved implementing a recognition programme to honour employees who exemplify our values and featuring these employees' stories prominently in regular employee connect sessions to further embed these behaviours.

Engagement survey

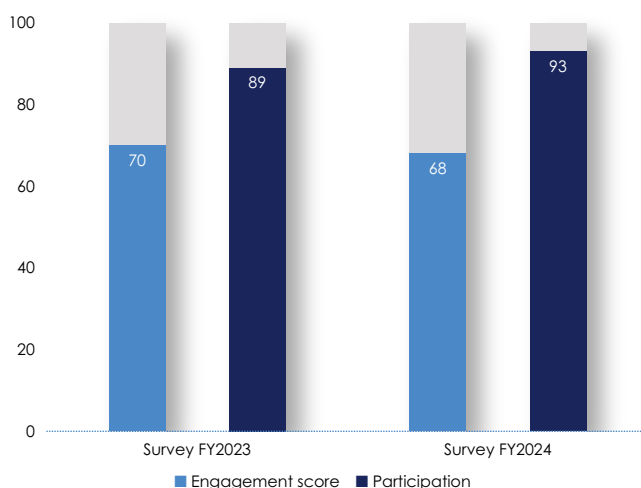
During the year Adcorp South Africa ran its third employee engagement survey. We saw incremental improvements year on year in participation rate as well as the overall engagement score. Most recently we have seen an 88% (FY2023: 85%) participation rate, with a notable 12% increase in our engagement score from 54% in FY2022 to 66% (FY2023: 64%).

We conducted our second employee engagement survey in Australia with a pleasing 93% (FY2023: 89%) participation rate and an engagement score of 68% (FY2023: 70%), which declined slightly. Leaders together with their teams are collaborating to create meaningful action plans to address identified focus areas for improvement.

South Africa (%)



Australia (%)



Employee engagement

We have made significant strides in enhancing employee engagement across multiple fronts with key areas of improvement including:

1

Engaging employees in Corporate Social Responsibility (CSR)

- The Company has demonstrated a notable commitment to corporate social responsibility, with employees expressing a heightened sense of pride and alignment with our CSR initiatives.
- Employees appreciate the increased opportunities to participate in meaningful CSR activities, which have fostered a greater sense of purpose and community within the workplace.
- The Company's proactive approach to environmental sustainability and social impact has resonated positively with employees, who value the organisation's efforts to make a difference in the world.

2

Access to learning and development

- There has been a significant improvement in providing employees with access to learning and development opportunities with a wider range of resources and programmes.
- Employees report feeling more supported in their professional growth and career advancement, thanks to the expanded learning initiatives and personalised development plans.
- The Company's investment in continuous learning has resulted in increased skills development, job satisfaction, and overall employee engagement.

3

Open and honest communication

- Employees feel more valued and empowered to voice their opinions and concerns.
- Leaders have been more proactive in requesting feedback and addressing employee questions and feedback, contributing to a greater sense of trust and transparency.
- Employees commend the Company's efforts to cultivate a collaborative and inclusive communication environment, which has strengthened relationships and alignment across teams and departments.

Overall, these improvements reflect the Company's ongoing commitment to enhancing employee engagement and creating a supportive and inclusive workplace culture.

Going forward, we will focus on the following areas to improve employee engagement:

- Improving two-way communication platforms.
- Continuing to demonstrate that our people are important to the Company's success, by enhancing our employee value proposition.
- Further invest in tailored learning and development opportunities.
- Focus on change management to support employees to adapt to changes in the business and industry.

Our **target is to achieve an engagement score of 75% by FY2028**, and we have taken a joint accountability approach with leadership teams as each leader is measured by their contribution in driving this.

CORPORATE CITIZENSHIP CONTINUED

Our workforce

Adcorp engages with employees in South Africa and Australia through various legal employment structures and agreements.

Employees comprise permanent employees, deployed employees, contingent employees and independent contractors. As at year end, the Group has 1 751 (FY2023: 1 799) permanent Adcorp employees and fixed-term contractors. In addition to this it has 4 170 (FY2023: 3 926) deployed employees, 33 136 (FY2023: 33 045) contingent employees and 2 715 (FY2023: 2 516) independent contractors assigned to various client contracts. Notably, we have over 100 000 unique individuals who gain employment through us each year. Refer below for more information on our employee definitions and demographics.

Workforce definitions

EMPLOYMENT TYPE	Permanent employees	Deployed employees	Contingent employees	Independent contractors
DEFINITION	Employed directly by Adcorp and its subsidiaries, including employees on fixed-term contracts. Their output is for Adcorp itself.	Employed directly by Adcorp and not contractually or legally linked to the client. They work on our clients' premises under our direct on-site management but are contracted to a specific scope of work or tender that we have been awarded by the client.	Employees providing clients' services under a commercial outsourcing contract, including those with independent, fixed-term, seasonal, limited duration or permanent employment contracts, depending on the outsourced solutions procured by the client. In South Africa, they are deemed an employee of the client post three months.	Professionals providing services and solutions on a time and materials basis to our clients.

* Employee (staff) costs reported in the segment report of the annual financial statements (AFS) include only permanent employees. Costs for deployed, contingent and independent contractors are included within the cost of sales.



Workforce demographics by employment type as at 29 February 2024



South Africa

	Permanent employees	Deployed employees	Contingent employees	Independent contractors
Headcount FY2024	1 582	4 170	30 653	1 439
FY2023	1 629	3 926	31 013	1 161
RACIAL DIVERSITY REPRESENTATION	Total ACI (%) FY2024	84	99	96
	FY2023	84	99	97
	African (%) FY2024	56	95	83
	FY2023	57	95	83
	Coloured (%) FY2024	20	3	11
	FY2023	20	3	12
	Indian (%) FY2024	8	2	2
	FY2023	8	2	2
	White and foreign nationals (%) FY2024	16	1	3
	FY2023	16	1	4
	Youth <35 (%) FY2024	34	61	63
	FY2023	41	62	67
GENDER IDENTITY	Females (%) FY2024	52	38	36
	FY2023	50	37	36
	Disability status (%) FY2024	2	0,09	0
	FY2023	2	0,13	0
(Total number: 37, FY2023: 39)				

Our reporting in South Africa is aligned with the requirements and classifications set out in the Employment Equity Act.

Note: Adcorp has exceeded its racial diversity target of 50%.



Australia

Headcount FY2024	169	–	2 483	1 276
FY2023	170	–	2 032	1 355
Youth <35 (%) FY2024	41	–	64	13
FY2023	41	–	64	11
GENDER IDENTITY	Females (%) FY2024	59	–	34
	FY2023	58	–	28

In Australia, employees do not have an obligation to share information about their race or disability status with their employer.



CORPORATE CITIZENSHIP CONTINUED

Total workforce demographics (permanent, deployed and contingent employees)

	FY2024 %	FY2023 %
Employee demographics		
Percentage of management (top and senior) considered as historically disadvantaged South Africans (HDSA)	44	52
Percentage of management (top and senior) who are women	47	42
Percentage of employees who are deemed HDSA	98	97
Percentage of employees who are women	37	37
Percentage of employees who are 'permanent'	15,8	13,5
Percentage of employees under the age of 30	40	45
Percentage of employees aged between 30 and 50	54	50
Percentage of employees over the age of 50	6	5
Unionisation		
Percentage of employees who belong to a trade union (contingent)	10	9
Percentage of employees who belong to a trade union (deployed)	26	22
Turnover (permanent + deployed employees)		
Voluntary employee turnover	11	15,5
Involuntary employee turnover	8,2	9,5
Total employee turnover (i.e., number of persons who left compared to the total number of employees at year end)	19,2	25

Fair labour practices

Adcorp is dedicated to complying with all applicable local laws, rules, and regulations that govern working conditions, including wages, work hours, benefits, and minimum employment age. Our employee value proposition ensures that each individual's employment experience is central to our vision of becoming an employer of choice. We regularly review all our people policies and procedures to foster sound labour relations and ensure fair treatment for all our employees.

We uphold our employees' fundamental rights to freedom of association, which include the ability to form and join trade unions and participate in their activities and programmes.

South Africa

At 29 February 2024, none of our permanent employees belonged to any union, while 10% (FY2023: 9%) of our contingent employees and 26% (FY2023: 22%) of our deployed employees in South Africa are unionised. We understand the importance of collective bargaining and strive to apply its principles in our workplace. We also engage effectively with our stakeholders at the sector and workplace levels.

Australia

Employees of Paxus, which provides professional services, are not members of a union or covered by an industrial agreement; instead, they benefit from the entitlements under the National Employment Standards, with individual employment contracts providing additional entitlements and benefits.

LSA has maintained good relationships with all trade unions despite only 5% of employees being unionised. Recently, there have been positive developments in our relationship with the Australasian Meat Industry Employees Union (AMIEU). LSA has proactively engaged with AMIEU representatives transparently and professionally, addressing operational issues such as employee payments and extending invitations for collaborative discussions. This approach demonstrates LSA's commitment to resolving workplace conflicts and fostering a constructive partnership with the AMIEU.

During FY2024, Australia dealt with three claims regarding alleged non-compliance with the Fair Work Act 2009 provisions. One claim was withdrawn, another was resolved, and the third is currently awaiting a decision on jurisdiction from the Fair Work Commission.

Anti-discrimination policies

Adcorp is dedicated to cultivating a healthy work environment by eradicating unfair labour practices, discrimination and harassment. We consistently adhere to best practices, informed by relevant legislation, regulations, and codes of good practice, through the introduction of policy changes and heightened awareness. Our commitment extends to fostering workplaces that are diverse, inclusive, and where every individual feels a sense of belonging.

- We are committed to maintaining transparency in our hiring, promotion, and wage practices, ensuring equal employment opportunity, developing and disseminating diversity policies, and ensuring management accountability for equitable representation across our workforce
- We support a high-performing culture underpinned by our values of Teamwork, Respect, Customer Centricity, Agility and Diversity and Inclusion
- We are committed to building strong relationships with communities, people living with a disability and creating increased opportunities for employment and engagement. As a Group, we look to promote a greater understanding and appreciation of an inclusive culture
- We are committed to a workplace free of discrimination, bullying, harassment and threatening, intimidating or humiliating behaviour and are guided by our policies in this regard.

These policies cover:

Affirmative action:

Promoting equitable opportunities and representation for historically underrepresented groups

Anti-bullying:

Implementing strict measures to prevent bullying, ensuring a safe and supportive work environment

Anti-discrimination:

Ensuring all employees are treated equally, without bias or discrimination based on race, gender, age, or any other characteristic

Anti-harassment:

Prohibiting any form of harassment, creating a workplace where everyone feels respected and valued

Anti-sexual harassment:

Addressing and preventing sexual harassment, ensuring a safe and dignified work environment for all

Diversity, inclusion and belonging:

Actively fostering a diverse workforce and an inclusive culture where every voice is heard and valued

Employee relations:

Maintaining positive and constructive relationships between employees and management, promoting a collaborative work environment

Equal employment opportunity:

Providing equal opportunity for all employees and applicants, based on merit and without discrimination

Health and safety:

Ensuring a physically safe workplace by adhering to health and safety standards and protocols

Protection of victims:

Safeguarding individuals who report violations, ensuring they are protected from retaliation

Wellbeing initiatives:

Implementing programmes and initiatives focused on the overall wellbeing of employees, including work-life balance and stress management

Mental health support:

Offering resources and support for mental health, recognising its importance to overall employee wellbeing

We believe that by fostering a collaborative environment where all employees are treated with fairness and respect, we empower them to reach their full potential. Breaches of our Workplace Behaviour Policy are taken seriously and met with disciplinary measures, underscoring our commitment to maintaining high standards of conduct. We are dedicated to enhancing job satisfaction and promoting employee growth through internal recruitment, training, and development opportunities.

As a provider of workforce services, we are committed to lowering barriers to entry into the labour market, particularly for young individuals. We demonstrate this commitment by providing practical experience programmes for graduates, on-the-job training for low and semi-skilled jobs, and learnerships for unemployed individuals – all in collaboration with our customers. These efforts stimulate employment and enable a diverse range of individuals to secure and excel in meaningful work.

The Adcorp Group will continue to maintain a safe, healthy, and inclusive work environment through ongoing risk assessments and proactive initiatives. This ensures a secure and diverse setting where all employees feel valued and have a sense of belonging.

CORPORATE CITIZENSHIP CONTINUED

Our approach to skills development

Empowering a future-ready workforce: Adcorp's strategic approach to skills development and community investment.

Adcorp is committed to cultivating a future-ready workforce. Our strategic approach to employee development integrates classroom instruction with practical, on-the-job training, tailored to the individual needs outlined in each employee's Personal Development Plan. This approach is designed to bridge talent profiles and business skills gaps.

Additionally, we invest in our communities by offering ongoing training to unemployed individuals, an essential aspect of our corporate ethos. This initiative underscores our unwavering commitment to socioeconomic transformation.

Our initiatives and beneficial impact on society are outlined below. Notably, the skills reporting for South Africa adheres to the B-BBEE legislative framework, including data on equity and expenditure, to display our commitment to meeting South African legal standards.

South Africa

During FY2024, Adcorp funded a variety of programmes, investing a total of R26 074 563 (FY2023: R27 815 898) in skills development opportunities. This investment benefited 1 761 (FY2023: 1 381) permanent employees, including fixed-term contractors, and 2 223 (FY2023: 1 730) non-employees. The FY2024 focus reflects unique interventions, such as Fraud and Ethics awareness training for permanent employees and nurse training conducted by Charisma at client sites. Of the total training spend, R18 417 942 (FY2023: R21 121 414) was allocated to permanent employees and fixed-term contractors, while R7 656 621 (FY2023: R6 694 484) was dedicated to non-employees.

CLASSIFICATION	Learnerships for		Bursaries for		Short learning programmes (including nurse training) for		Number of short learning interventions (including nurse training) for	
	Adcorp's employees (Permanent and FTC)	Non-employees	Adcorp's employees (Permanent and FTC)	Non-employees	Adcorp's employees (Permanent and FTC)	Non-employees	Adcorp's employees (Permanent and FTC)	Non-employees
TOTAL LEARNERS	245	390	126	76	443	284	1 442	1 742
TOTAL RAND VALUE	17 742 935	312 899	5 740 576	3 960 132	2 602 210	748 500	1 407 499	2 635 090
EE CANDIDATES	633		197		655		2 802	

"I am thrilled to announce that, as a direct result of the Generic Management Learnership programme, I have not only secured permanent employment but also received a promotion to Shift Manager. This achievement is a testament to the investment made by ACMS in my development. The programme not only equipped me with technical skills but also taught me essential soft skills like teamwork, communication, and problem-solving. I am grateful for the opportunity to be part of this programme. I thank you."

Friday Nyathi, Shift Manager at ACMS

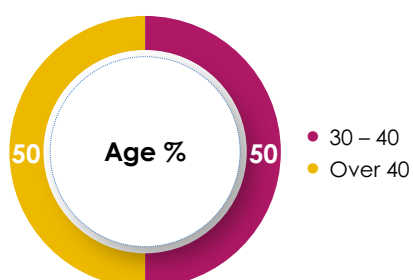
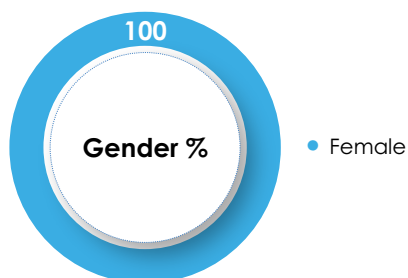
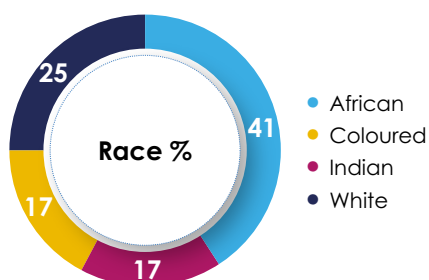


Key training initiatives:

During the year, we undertook various training interventions as set out below. Our strategic priority areas included the following leadership development courses:

Women In Leadership Programme

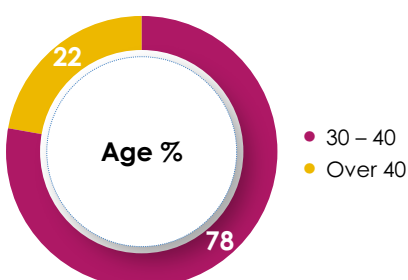
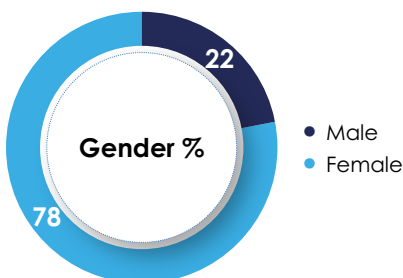
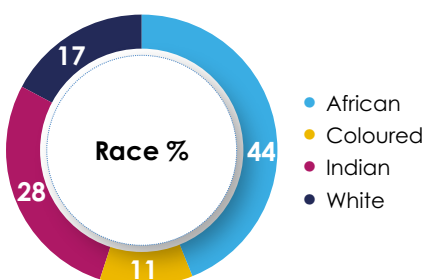
Twelve high-potential female employees holding senior and middle manager positions successfully completed the Women in Leadership Programme, conducted by the Gordon Institute of Business Science (GIBS). The comprehensive nine-month programme encompassed leadership theories, interactions with real-world role models, and a business improvement project tailored for Adcorp. This initiative is set to be an annual endeavour, aimed at fortifying the leadership capabilities of Adcorp's female leaders with the necessary skills and knowledge to become transformative leaders, propelling the business towards its strategic objectives.



Course cost
R1 250 181

Agile for HR Training

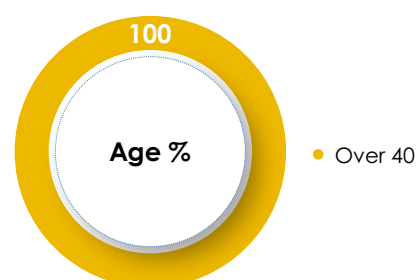
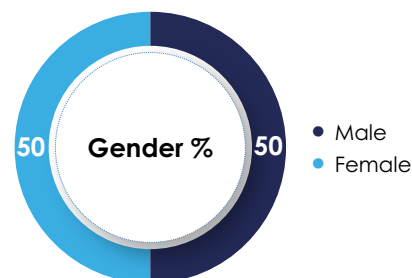
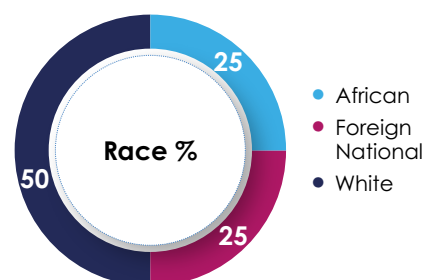
During FY2024, a diverse group of 14 senior, middle, and junior HR managers from Adcorp successfully completed the Agile for HR training, conducted by Grayfeather Consulting. This initiative continues to be pivotal in fostering organisational agility. Its primary objective remains to empower HR teams with the skills necessary to cultivate an agile business environment. Aligned with our core value of "Agility," the programme's structure delved into the practicalities of agile transformation. It offered participants a platform to critically analyse and address pertinent challenges unique to Adcorp's ecosystems.



Course cost
R98 088

Coaching for Key High Performers

Our commitment to nurturing exceptional talent remains steadfast, as evidenced by our one-on-one coaching initiative for key high-performing individuals. This bespoke programme is designed to identify and cultivate the capabilities of our standout employees. Through personalised mentorship and strategic support, we aim to unlock their utmost capabilities, bolster leadership competencies, and foster both enhanced performance and greater job satisfaction. Delivered by accredited coaches, this exclusive coaching is available to the upper tiers of our leadership teams within the Australian and South African divisions. Four high performers completed the coaching.



Course cost
R36 360

CORPORATE CITIZENSHIP CONTINUED

Training investment - bursaries

Adcorp remains committed to nurturing talent and fostering agility through its focus on bursaries. The bulk of our skills expenditure has been directed towards bursaries, reflecting an investment of R5 740 577 in course costs for 126 permanent employees. Additionally, R3 960 133 was allocated to support 76 non-Adcorp employees, comprising internship learners and unemployed individuals, thereby contributing to the cultivation of a dynamic talent pipeline for Adcorp across

various entities and our communities. This strategic allocation of resources not only underscores our dedication to skills development but also demonstrates our agility in adapting to evolving socioeconomic landscapes. The following summary offers insights into the estimated learning time required for the average learner to achieve the desired outcomes of our bursary programme, further emphasising our commitment to fostering talent in challenging times.

Bursaries training hours**Number of delegates
(employed)****968**Average hours
per person**Number of PMI delegates****115**73 employed
42 unemployed**Number of delegates
(unemployed)****1 061**Average hours
per person**Total hours****115 204**70 648 employed
44 556 unemployed

Note: The above infographic provides notional hours for PMI qualifications only. Adcorp does not track duration of training hours for external bursary programmes outside of PMI.

Adcorp Bursaries Testimony

"I joined Adcorp in February 2016, progressing through various roles including Recruitment Consultant, Accounts Receivable, and Strategic Projects Analyst. In 2020, I shifted to becoming a Sustainability Analyst focused on B-BBEE compliance and audits. Adcorp's continuous support for my development led to my appointment as Transformation Manager in December 2022. Despite my initial engineering background, I have adapted successfully, thanks to Adcorp's investment in my education and my participation in the B-BBEE and Women in Leadership programmes."

Kehumile Metswi – Transformation Manager in ASSC



Learnerships

Vocational qualifications delivered as learnerships continued to be implemented for employees and unemployed candidates, focusing on youth and individuals with disabilities. Adcorp's dedication to sustainable development and skills enhancement is exemplified through two of our training facilities:

PMI: A higher education institution specialising in vocational and higher education, focusing on up-skilling, reskilling, and future-skilling across various industries.

ICAN: Specialises in disability placement services and training solutions, including managing learnerships that provide opportunities for employers to engage with persons with disabilities.

Adcorp is aligned with the SDGs and the National Skills Development Strategy. Through PMI and ICAN, we continue to nurture students and learners, equipping them with future-fit skills essential for success in today's dynamic world.

In FY2024, R2,1 million (FY2023: R2,8 million) was invested in learnerships and bursaries for people with disabilities.

Learners with disability enrolled



Learnerships
52

Short courses
24



PMI's graduations FY2024

PMI's higher education division produced 425 student graduates in FY2024 across its campuses in Johannesburg, Durban, Uitenhage, East London, and Cape Town. Among these graduates, 92 individuals achieved their qualifications with the support of bursaries and learnership qualifications sponsored by Adcorp. Notably 37 out of the 92 graduates were previously unemployed, underlining Adcorp's commitment to fostering economic empowerment and reducing unemployment rates within communities. 61 graduates were bursary recipients and 31 were learnership beneficiaries, all sponsored by Adcorp Group. The provision of bursaries by Adcorp not only facilitates access to education but also

serves as a catalyst for socioeconomic transformation. By investing in the education and development of individuals, Adcorp and PMI are actively contributing to building a skilled and capable workforce, thereby positively impacting both national and regional economies. The graduation of the 27 previously unemployed bursars and 10 previously unemployed learnerships beneficiaries is a testament to the transformative power of education. Through PMI's programmes, these graduates have been equipped with the necessary knowledge and skills to pursue meaningful employment opportunities, thereby enhancing their livelihoods and contributing to the overall socioeconomic development of their communities.

Highlights from the 92 graduates:

Category programme	Total graduates	Employed graduates	Unemployed graduates
Learnerships	31	21	10
Bursaries	61	34	27
Cum Laude	8	4	4



PMI's commitment to producing graduates with future-fit skills resonates with its vision of fostering talent development. By offering relevant and industry-aligned courses, PMI ensures that its graduates are well-prepared to meet the evolving demands of the job market, thereby bridging the gap between education and industry needs. As we look towards the future, Adcorp remains dedicated to driving positive change and creating opportunities for individuals to thrive in an ever-changing world.

CORPORATE CITIZENSHIP CONTINUED

Pacific Australia Labour Mobility Scheme

The PALM scheme has been instrumental in addressing labour shortages in Castlemaine, significantly improving the lives of Solomon Islands workers employed by Don KR through LSA. Workers like Peter Taiti, Margret Halifu, and Buddy Bakua have been using their earnings to fund housing, renovations, and even start small businesses, transforming their families' lives back home. Despite the separation from their loved ones, their dedication and gratitude for the opportunity to build a better future remain strong.



Don KR Castlemaine PALM workers Peter Taiti, Margret Halifu and Buddy Bakua have made the most of their opportunity to gain employment at the Castlemaine factory.

Australia

Paxus and LSA use diverse training interventions to foster a skilled, diverse, high-performing workforce central to navigating today's dynamic business environment.

- **Litmos training platform:** Provides employees with access to a number of online courses on diverse topics, enhancing skills from onboarding to emotional intelligence and end-user computing.
- **Percipio skills platform:** Skillssoft has globally recognised this platform, which offers over 5 000 on-demand tech courses, including 700+ interactive courses and 500+ labs in emerging technologies like GenAI, Security, and Cloud.
- **One-on-one coaching:** This programme targets key talent and high-performing managers and enhances leadership skills, performance, and job satisfaction through personalised coaching by certified professionals.
- **Development for PALM scheme workers:** Funded by the government (approximately AU\$250 000), this programme trained 34 pacific islanders in Certification III in Individual Support-Aged Care, with ongoing practical training upon arrival in Australia.
- **Disability-confident recruitment skills training:** This training aims to equip our recruiters with the skills necessary to recruit people living with disabilities, fostering a diverse and inclusive work environment.

FY2025 strategic focus on reskilling and up-skilling of employees

As we prepare for the changing world of work, we will ensure that our employees have access to relevant and meaningful learning interventions aligned to our strategy. Further, our intentional focus on learning and development will be aligned to the feedback received in the latest employee

engagement survey. In FY2025, management will enhance employee development through the continuation of personal development plans and robust business skills gaps analysis to encourage employees to build their own learning and career paths.

Jimmy's journey: overcoming barriers

Jimmy, a PALM worker from the Solomon Islands, exemplifies determination and inclusivity. Despite his hearing impairment, Jimmy's positive attitude, supported by his colleagues, has allowed him to overcome significant challenges. In collaboration with our customer, PB Agrifood, we provided Jimmy with hearing aids, enhancing his ability to communicate and participate and affirming our commitment to diversity, inclusion, and belonging.



Diversity, inclusion and belonging

DIB programme focus areas

Embrace
diversity

Inclusion and
belonging

Support local
communities

Health and
wellbeing

Local
compliance



We focus on meaningful change that moves society forward and maintains our legal and social licenses to operate.

Diversity and Inclusion is one of Adcorp's core values, and we are committed to fostering diversity in our supplier network, workforce and ownership structures. Adcorp operational business units in South Africa hold a black-owned entity status with 59,82% (exceeding the B-BBEE target of 51%) and 46,00% (exceeding the B-BBEE target of 30%) black women ownership due to the AEBT3 female scheme which includes all Adcorp female employees. The purpose of this trust is to align the interests of employees with the business and to allow employees to benefit financially as the business grows.

We support an inclusive hiring policy, which encourages the employment and advancement of individuals from diverse backgrounds and specifically individuals who were previously disadvantaged.

Our supplier development programme actively fosters partnerships with diverse suppliers, prioritising exempted micro-enterprises, qualifying small enterprises, and black female-owned businesses. Our intention is to support and grow these businesses to graduate from our programme and become a preferential supplier to us and other businesses. This allows the next generation of entrepreneurs to enter the programme, gain value and contribute to socioeconomic development. This commitment to economic inclusion drives several key benefits:

- **Strengthened supply chain:** We build a more resilient supply chain by tapping into the innovation and ability of a wider range of businesses
- **Community impact:** We promote economic growth and opportunity within underrepresented communities, supporting local entrepreneurship
- **Enhanced reputation:** Our dedication to diversity and inclusion positions us as a responsible and sustainable company, appealing to customers and investors alike
- **Socioeconomic growth:** Small, medium and micro-enterprises are where the majority of new jobs will be created



CORPORATE CITIZENSHIP CONTINUED

Creating a culture of wellbeing for sustainable success

We recognise that our employees are our most valuable asset. We are committed to their holistic wellbeing, we have implemented several initiatives aimed at enhancing their physical, mental, financial, and emotional health. This commitment not only supports a well-balanced work environment but also boosts productivity.

Our comprehensive approach includes flexible work arrangements, wellbeing programmes and a robust employee assistance programme (EAP) that provides a wide range of support services. Our EAP helps cover everything from mental health awareness to legal advice, demonstrating our commitment to our employees' wellbeing.

Employee health and wellbeing initiatives:

Flexible work arrangements:

We accommodate the diverse needs of our workforce to promote a healthy work-life balance.

Employee assistance programme:

This programme provides comprehensive support covering mental health awareness, emergency medical assistance, financial wellness, legal advice and more.

Wellbeing programmes:

Various initiatives are available to foster overall wellbeing.

Monitoring and enhancing employee wellbeing

South Africa

In South Africa, we monitor wellbeing through a variety of metrics. Our EAP report indicated that mental health, relationships, and organisational/managerial issues are predominant among our employees, accounting for 55.1% of cases. We continue to offer targeted training and reminders of available support services to address these issues. We will continue to offer targeted employee and managerial training programmes, webinars, and reminders of the support services available.

During FY2024, the number of sick leave days taken by permanent employees, were 5 082.

The EAP value-added benefit provides employees and their immediate families with access to a comprehensive suite of services, ensuring well-rounded support including:

- Mental health awareness to promote psychological wellbeing.
- Emergency medical assistance for urgent health needs.
- Financial wellness advice to guide economic stability.
- Personal health advisory services for tailored health guidance.
- Trauma and assault assistance for critical emotional support.
- Legal assistance for navigating legal challenges.
- HIV protection services for prevention and care.
- Funeral repatriation services, offering support during difficult times.

All these benefits are backed by a cutting-edge, 24-hour call centre, delivering immediate and practical support.

Australia

Employees in Australia receive a number of wellbeing benefits. Our partnership with Acacia Connection in Australia provides employees with a comprehensive suite of support services. This includes mental health awareness, emergency medical assistance, financial wellness, legal advice, and more. In certain circumstances, we extend EAP support to our Australian contractor community.

Employees in Australia are offered annual flu vaccinations, corporate rates for health insurance and an annual shutdown during the Christmas period. Furthermore, the Federal Government mandates the provision of up to 10 days of paid leave for employees impacted by family and domestic violence.

Employees can receive an ergonomic workstation assessment in their main office or remote location. Remote office reviews are conducted online.

Employee wellness days and initiatives:

In FY2024, South Africa celebrated its first on-site wellness day post-COVID-19, receiving positive feedback. Plans are underway to extend this nationally. In Australia, initiatives like R U OK Day promote connection and gratitude with activities designed to support mental wellness.

At Adcorp, we view investing in employee health and wellness as both a moral obligation and a strategic imperative. By fostering a culture of wellbeing, we aim to nurture a resilient, high-performing workforce, ensuring our long-term success.

Statement of intent: Our commitment to fair and responsible remuneration

Fair and responsible remuneration

Adcorp's remuneration approach aims to attract, develop and retain employees who embody our core purpose and values. We foster innovation and growth by creating a motivating, high-performance environment where all employees are supported to thrive and contribute to the success of the Group. As a responsible employer, Adcorp upholds the principle of fair and responsible remuneration. To contribute to an equitable and more inclusive future, we are committed to narrowing the gap by lifting the bottom through total rewards and mitigating the negative effects of past inequalities on our employees.

What is fair and responsible remuneration?

- **Market-competitive remuneration:** Adcorp uses the Patterson grading system to ensure that remuneration aligns with industry benchmarks.
- **Equal remuneration:** The principle that individuals performing the same work, under similar circumstances, should receive the same remuneration, without bias based on gender, race or other protected personal characteristics. However, there are factors that justify differences, such as length of service, qualifications, quantity and quality of work, demotion of an employee due to organisational restructuring or other relevant factors that warrant fair differentiation.
- **Responsible remuneration:** Relates to the financial ability of the Company to increase salaries over time, while remaining competitive in the market.
- **Transparency:** Remuneration practices and decisions are clear and accessible to employees.

We will apply metrics consistent with Generally Accepted Remuneration Practices for JSE-listed companies.

Actions for remuneration equity

We are committed to analysing remuneration practices in both South Africa and Australia, guided by local legislation and best practices. This includes:

- **Grade benchmarking:** Using the Patterson grading system to ensure market-related salaries across both locations.
- **Data analysis:** Identifying and addressing potential wage gaps or remuneration differentials.
- **Corrective measures:** Implementing actions to ensure remuneration equity and address identified disparities.

Way forward

Adcorp is committed to a relevant, fit-for-purpose employee value proposition (EVP). This ongoing process will ensure Adcorp maintains a fair and responsible remuneration system that contributes to a compelling EVP. We recognise this as an ongoing journey and will develop a roadmap with targets and timelines. The HCC will provide oversight and monitor our progress on a regular basis.

Scope and boundary: This statement of intent focuses specifically on permanent employees' fixed remuneration and excludes variable remuneration (see employee definitions on page 30). Our approach to fair and responsible remuneration considers South African and Australian legal requirements and best practices like the Employment Equity Act, the Companies Act, King IV, Workplace Gender Equality Act and others. We report all legally mandated data and internally we consider additional data to help us improve.

"During the first three months of 2024, I faced uncertainty about my future, not knowing how I was going to pay for my studies. However, learning about the Adcorp Blu bursary opportunity has changed everything for me. The application process was seamless and straightforward, where I finally enrolled for the Higher Certificate in Business Management qualification. I feel overjoyed."

Asanda Mlobeli, Bursar at Adcorp BLU



CORPORATE CITIZENSHIP CONTINUED

Statement of intent for the implementation of a TRS

Our commitment

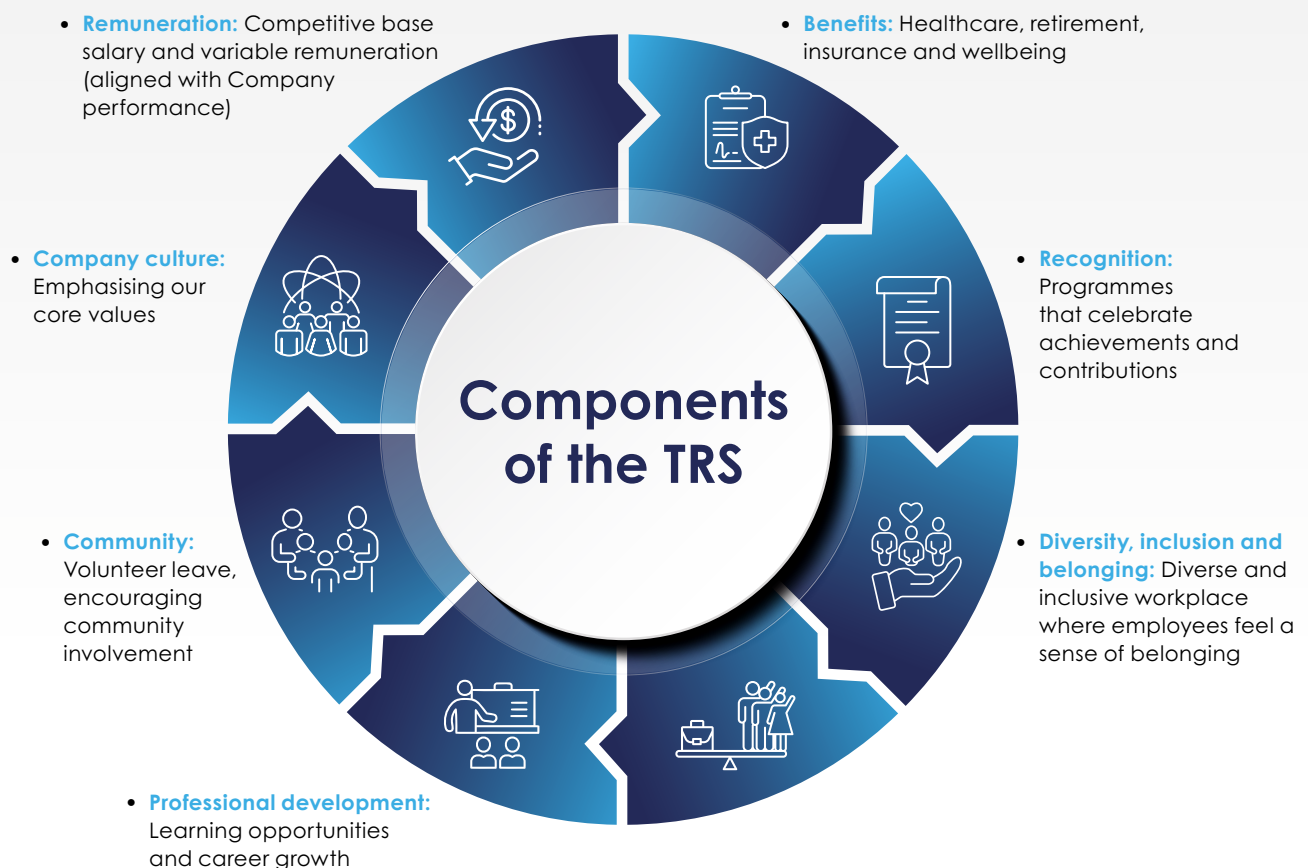
Adcorp is committed to attracting, retaining and motivating top talent. Introducing a TRS in the coming financial year is a key step. The TRS will show case the full value of working at Adcorp, demonstrating how we support employees through remuneration, benefits and a culture of growth. This is an ongoing journey and we will continually enhance our TRS to align with our evolving EVP.

The value of a TRS

A comprehensive TRS creates a clear and compelling EVP. It highlights our appreciation for employees and our commitment to their success, making Adcorp an employer of choice. It reflects our appreciation for our valued employees and our strategic vision for continued success. Rolling out the TRS is a journey.

Core objectives of the TRS:

- **Attracting and retaining talent:** demonstrate our competitive advantage.
- **Strategic alignment:** Reinforce how rewards support Company goals.
- **Transparency:** Open communication about the value we provide employees.
- **Enhancing our EVP:** Create a clear and compelling message that showcases our commitment to employee wellbeing.
- **Work-life balance:** Flexible work arrangements and paid time off.



Way forward

Adcorp is committed to a relevant, fit-for-purpose EVP. Our TRS is a key component of this. We will continue to develop it, ensuring it aligns with our fair and responsible remuneration practices and enhances our EVP. We recognise this as an ongoing journey and will develop a roadmap with clear targets and timelines. The HCC will provide oversight and regularly monitor our progress.

Scope and boundary: Initially, this focuses on permanent employees in South Africa and Australia, with the intention to expand to deployed and contingent employees over time (see page 30 for employee definitions).

Our transformation storyboard

FY2024 B-BBEE level 1 maintained (Adcorp Workforce Solutions (Pty) Ltd)

Ownership

Achievable points: 25
Our score: 25 (FY2023: 25)
Black ownership: 59,82% (FY2023: 64,81%)
Black women ownership: 46,00% (FY2023: 45,92%)



Our focus:

We are proud to have achieved the full 25 points, with 59,8% black ownership, 46% black female ownership and an innovative employee share ownership trust to empower our female employees. This shows our commitment to socioeconomic transformation, sustainable growth and inclusion.

Management control

Achievable points: 19
Our score: 12,94 (FY2023: 14,78)



Our focus:

We champion diversity and inclusion in leadership by prioritising the development and recruitment of black individuals, particularly black females. Our recruitment policies actively target underrepresented groups, ensuring that all vacancies consider candidates from African, Indian, and coloured demographics. This commitment is further solidified through dedicated DEI committees that foster a workplace culture where diversity and inclusion are valued and celebrated.

Skills development

Achievable points: 20
Our score: 18,55 (FY2023: 16,28)



Our focus:

We prioritise skills development through our bursary and personal development strategy and youth scholarship. These emphasise enrolling black youth in learnerships and work-based learning programmes, fostering a culture of continuous learning. Adcorp ensures compliance with the Skills Development Act by registering with SETAs and requiring employees to create Workplace Skills Plans and conduct skills gap analyses.

Enterprise and supplier development

Achievable points: 42
Our score: 42,55, bonus points from job creation and target spend met with designated suppliers (FY2023: 43,84, bonus points from job creation, graduation of enterprise development beneficiary to supplier and target spend met with designated suppliers)



Our focus:

We champion supplier diversity by supporting micro, small, large, black-owned, and female-owned businesses. We go beyond capability building, offering grants, free workspace, and mentorship to empower small black businesses. This commitment fosters economic growth within their supply chain and the broader community.

Socioeconomic development

Achievable points: 5
Our score: 5 (FY2023: 5)



Our focus:

We are dedicated to making a lasting difference in our communities. We invest in education, youth development, and programmes that support disabled individuals. By prioritising skills transfer and training, we empower disadvantaged communities, fostering long-term growth for both Adcorp and the people we serve.

Total score

Achievable points: 111
Our score: 104,04 (FY2023: 104,89)



Procurement recognition level: 135% (FY2023: 135%)

Our focus:

We are proud of our recognition for empowering black females and fostering a transformed culture that drives meaningful impact. As a level 1 B-BBEE contributor, we remain committed to continuous improvement and being a leader in inclusive growth.



View our B-BBEE certificate
<https://www.adcorpgroup.com/about/corporate-citizenship/>

CORPORATE CITIZENSHIP CONTINUED

Our communities

Our corporate social responsibility

While we acknowledge our limited resources and ongoing financial commitment to B-BBEE initiatives, we are driven to make an even greater impact. We have identified high-impact, low-cost CSR focus areas that leverage our core business strengths and expertise.



1

Empowering social impact organisations (NPOs/PBOs):

Many social impact organisations struggle to hire effectively due to resource limitations. We offer them access to our well-vetted talent pool, increasing their hiring success and maximising their social impact. While we strive to place as many qualified individuals as possible, opening our database to these organisations allows us to connect skilled candidates with meaningful work that aligns with their values.



2

Investing in education and skills development:

Our higher education training brands provide courses and degrees that equip students for rewarding careers. We offer bursaries to talented youth from disadvantaged backgrounds and to employees' children pursuing higher education. These bursaries not only improve our EVP but also elevate their families' lives and contribute to a more skilled workforce.



3

Fostering employee volunteerism:

We believe that giving back benefits both social impact organisations and our employees. Volunteerism promotes employee wellbeing, team building, and a stronger sense of diversity, inclusion, and belonging within our Company. We actively encourage volunteerism by offering dedicated volunteer leave, and we are exploring innovative ways to record and manage this benefit.



4

Supporting the Pacific Australia Labour Mobility Scheme:

We collaborate with LSA to empower unskilled, low-skilled, and semi-skilled workers from Pacific Island nations through the PALM scheme. This programme addresses Australia's labour gap in blue-collar industries while enabling improved livelihoods and socioeconomic development in these Pacific Island nations.

Our CSR focus areas:

Volunteerism – Mandela Day

We encourage our employees to give back to our communities through volunteer opportunities. We invite employees to share ideas and causes close to their hearts that could benefit from teamwork and team-building activities.

Adcorp Professional Services supported Nkosi's Haven. Employees donated R8 395 and Adcorp matched the amount, providing a total donation of R16 790. The funds were utilised to purchase pyjamas and groceries for 70 children. Additionally, volunteers from the business helped them extend their vegetable garden.



Mandela Day

Adcorp BLU contributed to cleaning the Durban beaches and provided the homeless with a hearty meal.

Other areas of the business volunteered at food banks to prepare sandwiches for school children and helped at the Society for the Prevention of Cruelty to Animals (SPCA).

Additionally, employees across Adcorp Group in South Africa rallied together to donate products and volunteer their time for meaningful causes. This initiative generated positive energy, fostered team spirit, and sparked a desire for more volunteer opportunities. We are exploring innovative ways to implement volunteer leave, further encouraging employee involvement and a sense of belonging.



Contributing to the South African and Australian economies and societies

Adcorp plays a vital role in shaping the South African and Australian economies and societies, fostering long-term sustainability and growth. Our history of leading developmental and social initiatives demonstrates our commitment to driving positive change in the regions in which we operate.



South Africa: Adcorp actively invests in the growth of small and medium-sized black-owned businesses, offering financial support, mentorship programmes and business development assistance. We empower these businesses to drive job creation and economic expansion through monetary grants. Additionally, Adcorp Place, our head office, provides free rental spaces and overhead expense relief to small and medium micro-enterprises owned by black entrepreneurs.



Australia: LSA supports the PALM scheme, addressing labour shortages in the blue-collar space. The success of the PALM scheme highlights the transformative impact of foreign employment by providing underserved communities with skills and resources, leading to long-term stability and prosperity. See page 38 for further detail.

Social responsibility: We champion inclusive economic development, collaborating with local community organisations to enhance the impact of community projects and improve the lives of individuals and families. By investing in our communities and fostering partnerships, we work towards a more inclusive and prosperous future for all.

CSI/SED spend

We focus on contributing to organisations and projects that are making a meaningful difference in society.

CSI/SED spend (rand)	FY2024	FY2023
CSI/SED spend on education	816 666	866 666
CSI/SED spend on skills development, including Adult Basic Education and Training (ABET)	7 656 621	6 694 484
CSI/SED spend on NPOs that focus on the homeless and children and adults with disabilities	168 000	144 000
Enterprise development spend (i.e. support for small business)	4 145 007	3 368 147
Total Rand value of CSI/SED spend	12 786 294	11 073 297

* No other categories of CSR/SED spend were undertaken. We split out employee training spend from the skills development spend to only show non-employee spend. Refer to page 34 for employee training spend.

CORPORATE CITIZENSHIP CONTINUED

At Adcorp, we remain steadfast in our commitment to supporting, appreciating, and investing in our communities. By working collaboratively with them, we strive to pave the way for a sustainable and inclusive mainstream economy that benefits all stakeholders.

We are proud to contribute to and/or partner with the following organisations:

1 Socioeconomic development initiatives

Thuto Trust



We partner with Thuto Trust to support black students from underprivileged backgrounds pursuing teaching degrees. This collaboration empowers future educators and drives societal impact.

Girls and Boys Town



Our monthly donations support a teaching and learning programme that helps disadvantaged youth rebuild their lives and create brighter futures.

Employability Vulindlela



We support Employability Vulindlela's programme with a monthly donation. This programme equips individuals with intellectual disabilities from disadvantaged communities for the workforce through life skills training.

All4YOUth



We partner with Nestlé, Publicis, and others in the All4YOUth initiative. Together, we help young Africans access jobs, navigate the changing work environment, and plan their careers. We support the alliance with project management costs, demonstrating our dedication to youth empowerment across Africa.

2 Enterprise development beneficiaries

Bare Minds



We partnered with Bare Minds in January 2024, a black-owned business focused on mental wellbeing for African youth. Adcorp supports Bare Minds with an annual grant to develop a mental wellbeing tool specifically for African youth.

Furaha Solutions



We partner with Furaha Solutions, a 100% black female-owned business. We provide financial grants, office space, and collaborate on skills development and youth employment initiatives.

Mzansi Advisory



We support a black female transformation expert through a monthly grant. This helps her business advise companies on B-BBEE strategy and achieve impactful transformation goals.

Plady M Nails Salon



To enhance our EVP and provide access to market, we partnered with Plady M Nails Salon, a black female-owned nail salon. They offer our employees competitive prices and benefit from financial grants and office space.

Bliss Corporate Massage



We partnered with Bliss Corporate Massage, a black female-owned business, to enhance our EVP and provide access to market. They offer therapeutic massages to our employees at competitive prices and benefit from financial grants and office space.



3 Supplier development beneficiaries



Lavan Services

Lavan, a black female-owned business, provides event management, corporate catering, and runs a canteen/coffee shop at Adcorp to enhance our EVP and provide access to market. With Adcorp's support, they have expanded beyond catering by opening a restaurant in Gauteng.

Corporate Ride Shuttle



We subsidise a shuttle service for employees, helping the owner achieve his goal of purchasing a taxi, while offering our employees safe transport to and from the Woodmead taxi rank. This demonstrates our commitment to empowering local businesses.

4 CSI activities



Santa Shoe Box

We partner with the Santa Shoebox Project to deliver gifts to underprivileged children. We donate, provide training space and host collection drives, demonstrating our commitment to giving back.

Mandela Day Initiative



Adcorp Professional Services raised R16 790 for Nkosi's Haven, providing pyjamas, groceries, and an expanded sustainable vegetable garden for the children. This initiative reflects our commitment to social impact.

Youth scholarships for employees' children

These scholarships aim to provide opportunities for the children of our employees in South Africa, particularly from historically disadvantaged groups, to pursue tertiary education. This initiative aligns with Adcorp's Transformation Policy and the Broad-Based Black Economic Empowerment Act 53 of 2003, as amended by Act 46 of 2013, in our commitment to advancing economic transformation. By addressing skills shortages and enhancing the participation of black individuals in the South African economy, these scholarships contribute significantly to our overarching goals.

Our youth scholarship underscores Adcorp's dedication to skills development, offering learning and development opportunities that may otherwise be inaccessible. Moreover, it ensures compliance with our B-BBEE scorecard requirements, further reinforcing our commitment to socioeconomic transformation.

To date, **R700 570 has been distributed to 12 deserving students**, enabling them to pursue their educational aspirations. Moving forward, we are committed to increasing our contributions to support the educational pursuits of our employees' children. This not only provides them with a pathway to formal education but also enhances the livelihoods of their families, thereby bolstering our EVP.

Youth scholarship recipient

We are deeply grateful for the scholarship awarded to our son, Asivenathi. Adcorp's generosity has lifted financial burdens and given him the opportunity to pursue quality education, empowering him to shape his future with confidence.

Linda Goduka – Benefits Support Agent, Industrial TES in Adcorp BLU



CORPORATE CITIZENSHIP CONTINUED

East Coast Radio – PMI and BLU Bursaries

PMI and BLU Bursaries, in partnership with East Coast Radio, awarded 10 bursaries with travel allowances to empower unemployed youth. This initiative gives young people (18 – 21) access to tertiary education, improving their lives, their families' lives, and unlocking their earning potential.



Safety, Health, Environment and Quality

At Adcorp we seek to promote the health and wellbeing of our employees and sustain their ability to perform over the long-term. This means that the health, safety and environment of our workforce and the quality of services that we deliver are of the utmost importance. We are committed to fostering a proactive approach to identifying and mitigating workplace hazards before they can cause injuries or illnesses. We maintain high standards and a structured approach to identifying hazards and evaluating and controlling work-related risks. We adhere to the fundamental principles of occupational health and safety, including the anticipation, recognition, evaluation, and control of hazards. We measure our performance against standardised core measures to ensure we are meeting our goals. We are dedicated to improving the safety and quality of our services, and we will continue to work towards this goal.

The Group SHEQ portfolio is responsible for health and safety requirements nationally, and overseeing the technical infrastructure across the Group, as well as at various customer sites. Formal health, safety, quality and environmental policies are in place and are communicated to all employees.

Our SHEQ policy

We are dedicated to maintaining the highest standards in workforce solutions, ensuring compliance with best-practice SHEQ industry benchmarks. Our mission is to be the go-to partner for our customers, skilfully navigating the complexities of labour provisions. By offering comprehensive and cohesive solutions, we play a crucial role in empowering our clients to unlock and enhance value within their operations. We focus on collaboration, with a strong emphasis on achieving superior SHEQ standards:

- Implementing a critical risk control programme to manage hazards capable of causing fatalities, thereby enhancing safety.
- Strengthening our commitment to safe production to prevent injuries and illnesses.
- Improving our incident reporting and investigation procedures to better identify and mitigate future risks.
- Proactively addressing our customers' health and safety requirements, ensuring an exceptional customer experience.
- Adhering to all relevant legal and regulatory frameworks to maintain compliance.
- Innovating ways to allocate more quality time on site, engaging directly with employees and clients to continually improve our SHEQ performance.
- Committing to environmental protection by adhering to the highest standards of environmental practices.

Safety performance

At our core, we prioritise the safety and wellbeing of every individual connected to our operations. This value is ingrained in our culture, reflected in our daily operations, and drives our relentless pursuit of a zero-incident workplace. **During the year, we trained a total of 133 employees on SHEQ related training. This included 53 first aiders, 31 fire marshals, seven evacuation officers and 42 health and safety representatives.**

Our commitment to safety in memory of a lost team member

On 18 February 2024, a cherished team member from one of our contractors providing temporary employment services for Adcorp Contractor Management Services in South Africa tragically lost their life. This devastating loss occurred during an incident involving contact with a falling object. This tragedy has deeply affected us all, leaving a void in our hearts and reinforcing the critical importance of an unwavering commitment to safety.

The following corrective and preventative actions were taken:

- Counselling for team members
- Support for the family
- A STOP for Safety with employees
- Review of risk assessment
- Toolbox Talk with lessons learned
- Incident debrief with the SHEQ Committee and SESCom
- Reiteration of the material handling equipment risk assessment
- Review of equipment recertification and withdrawal process
- Discussion with Emergency Medical Service to improve response times

Our hearts go out to the family, friends, and colleagues of our lost team member. We extend our deepest condolences and stand together in mourning this irreplaceable loss.

This incident strengthens our resolve to diligently identify, manage, and eliminate risks in every aspect of our operations. The danger of falling objects, falls from heights, vehicle impacts on pedestrians, and contact with moving machinery are safety risks that demand our immediate and focused attention. Our commitment to safety is unwavering, and we will continue to strive for a workplace where every individual returns home safely each day.

Our safety performance data^{1,2,5}

Our safety data includes all employee types, permanent, deployed, contingent and independent contractors. Our safety targets are dynamic, they use the previous financial year's injury rates to ensure that we are constantly improving. We always set more stringent benchmarks than the industry standards.

Adcorp is a workforce solutions provider operating across diverse industries, with employees deployed at various client sites. As such, our consolidated health and safety data reflects a multi-sector view, encompassing a wide range of work environments and risks. Due to this diversity and the large number of companies involved, our data may not be directly comparable to industry benchmarks tailored to specific sectors. However, we maintain a strong commitment to health

and safety standards across all operations. While clients are ultimately responsible for the safety of our employees on their sites, we ensure our workforce is equipped with appropriate SHEQ training to navigate client-specific procedures effectively. This collaborative approach prioritises employee wellbeing and enables us to contribute to a safe working environment in every placement.

Health and safety indicators	Benchmarks	FY2024	FY2023
Total person-hours worked			
Adcorp Holdings		91 224 997	88 675 481
Adcorp South Africa		84 899 537	83 110 224
Adcorp Australia		5 843 714	5 565 256
Fatalities			
Number of fatalities (i.e., injuries on duty leading to death excluding the deaths of workers not occurring at work)	Zero fatalities	1	1
Total injuries			
Adcorp Holdings		941	891
Adcorp South Africa ¹		723	713
Adcorp Australia ²		216	178
Lost-time injury frequency rates (LTIFR) - permanent and contingent employees calculated at 200 000 person-hours			
Adcorp Holdings	2,35	1,19	0,56
Adcorp South Africa	1,79	1,18	0,49
Adcorp Australia	2,91	1,37	1,65
Total injury frequency rate			
Adcorp Holdings (TIFR ³)		2,06	2,01
Adcorp South Africa (TIFR ³)		1,70	1,72
Adcorp Australia (TRIFR ⁴)		7,39	6,4

¹ First aid, medical, restricted day and lost-time injuries.

² Medical, restricted day and lost-time injuries but exclude first aid cases.

³ TIFR total injury frequency rate including first aid case injuries – South Africa standard.

⁴ TRIFR – total recordable injury frequency rate excluding first aid cases – Australia standard.

⁵ FY2023 and FY2024 numbers are not directly comparable, as FY2023 data is incomplete due to limited data availability during that period.

We achieved an increased focus on incident management and reporting and an improvement in investigation processes that not only identifies causal factors but focuses on preventative measures.

Our SHEQ audit processes and action tracking to closure have also assisted in identifying hazards before they cause an incident.

SHEQ management systems

Adcorp is dedicated to fostering a safe, healthy, and environmentally sustainable workplace. We have integrated our SHEQ management systems in line with ISO9001, ISO45001, and ISO14001 standards. Our efforts have garnered ISO9001 certification for one of our brands in South Africa, and dual ISO9001 and ISO45001 certifications in Australia.

ISO9001 enhances our service quality and operational efficiency. ISO45001 focuses on mitigating workplace hazards and risks, aiming to prevent accidents and foster a culture of safety and wellbeing. ISO14001 helps manage our environmental impact, aiming to reduce our carbon footprint and promote sustainability.

These integrated management systems have significantly improved our performance and reduced environmental impact, bolstering our reputation as a responsible, sustainable business. This commitment is evident in our achievements and ongoing dedication to continuous improvements, which is central to our strategy.

Moving forward, we aim to enhance our health and safety practices further by setting specific targets, such as reducing LTIFR and reporting on workdays lost due to injury. In line with our commitment to continuous improvement as stipulated in our SHEQ policy, our LTIFR and TIFR achievements in FY2024 will set the benchmark for our targets in FY2025. These targets are more stringent than the industry standards that we used in FY2024.

CORPORATE CITIZENSHIP CONTINUED

Labour Solutions Australia

Our SHEQ system represents a pivotal step forward in our safety journey. Simplifying processes and enhancing data accessibility, this programme ensures our operations are underpinned by robust safety protocols using digital tools. LSA has implemented a product called DoneSafe which will systemise the management of:

- Business risk register
- Workplace health and safety hazard risk register
- Improved toolbox talk delivery and toolbox talk management
- Incident management
- Alignment of incidents and injuries to the risk registers

The new system is designed to automate safety, centralise compliance and SHEQ data, streamline audit processes, conduct audits, checklists, and inspections and capture risks.

South Africa

South Africa is digitising paper-based SHEQ processes including planned task observations, critical risk controls, health and safety representative inspections and incident management by creating a mobile and web-based application to manage those processes.

Audit quality performance

We provide high-quality service to our customers, striving to anticipate our customers' needs and delivering excellent customer experiences. South Africa achieved success in the ISO9001 recertification audit in FY2023 for one of our brands. Australia still maintains their ISO9001 certification for the applicable brands the recertification audit set the forthcoming audit plan for the next two years and we are proud to have completed the audit process without any minor or major non-conformances.

Critical risk control

Our critical risk control programme applies across all the industries in which we contract out workers and is designed to identify and mitigate potential hazards that can result in injuries and/or fatalities in the workplace. We have identified several critical risks, including falls from heights, vehicle impact on pedestrians, crushed in moving machinery and contact with falling objects. This is in line with focusing on and prioritising the most critical health and safety risks. By focusing on achieving these goals of eliminating injuries and fatalities, monitoring performance and evaluating outcomes, we can progress along the path to higher levels of health and safety achievement and **our goal of zero fatalities**.

Environmental incidents

We received **no environmental complaints and recorded zero incidents** throughout the year. This positive outcome reflects the strength of our SHEQ policies, processes, and standards.

Environment and climate change

Recognising the urgent environmental challenges facing our planet, Adcorp is committed to proactively seeking solutions to reduce our impact.

Our approach

Our evolving commitment to environment and climate change stewardship

Adcorp is actively integrating ESG objectives into our core business practices. We understand the importance of measuring and reporting our progress. This year, we expanded our reporting to include Australia, scope 3 emissions and enhanced environmental indicators, aided by the implementation of our ESG data management system.

Prioritising data for meaningful action

We believe in making data-driven decisions. Before setting specific targets, we are strategically improving data availability and completeness. This ensures our goals are grounded in reliable baselines and allows us to accurately track progress.

Developing meaningful targets in this space requires us to collaborate with our landlords on environmental initiatives.

Safety and responsibility

Our SHEQ department proactively monitors our environmental performance, and we are proud to have had zero environmental incidents this year. We cultivate a culture of shared environmental responsibility throughout our workforce, empowering employees to be conscious corporate citizens.

Minimising our impact

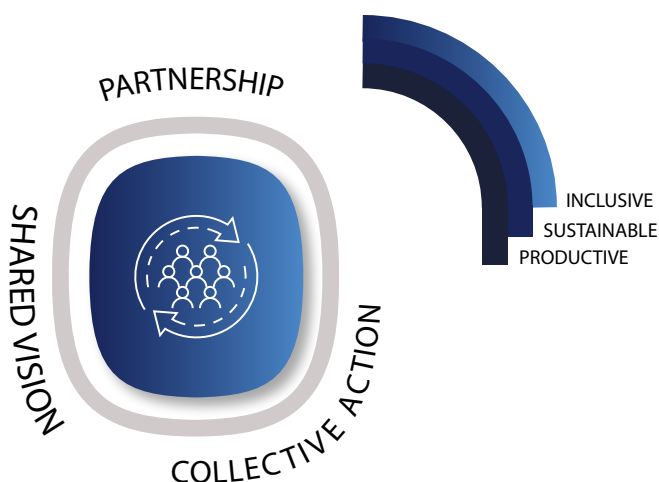
While our direct environmental footprint remains low, we're dedicated to continuous improvement. **We encourage virtual communication, develop innovative digital workforce solutions and support our customers' sustainability efforts where possible.** Our biggest environmental risk lies with our customers – that is why we diversify our client pool and ensure our employees meet the environmental standards of the sites they service.

Just transition

The just transition is the shift from a fossil fuel-based or environmentally harmful economy to a sustainable and socially fair one. It aims to address the social, economic, and environmental challenges of the transition, especially its impacts on workers, communities, and vulnerable groups.

A JUST TRANSITION

TO A LOW EMISSIONS ECONOMY



Adcorp as a workforce solutions business plays a vital role in enabling future careers and supporting a just transition by collaborating with businesses that foster new industries, facilitating job creation and reskilling individuals to transition away from fossil fuel sectors. It makes sound business sense as investing in sustainable industries can lead to long-term economic viability and growth.



View our full just transition statement
<https://www.adcorpgroup.com/about/corporate-citizenship/>

Adcorp drives sustainable consumption by



Conserving resources:

Efficiently managing natural resources for long-term availability



Minimising waste:

Prioritising waste prevention, reduction, recycling, and reuse across our operations



Promoting sustainability:

Encouraging sustainable practices within our Company and reporting transparently on our progress



Educating for change:

Raising awareness of sustainable development and lifestyles that support environmental stewardship



Enhancing supply chain transparency:

Increasing visibility into the ESG practices of our suppliers



Adopting innovative technology:

modern technology usually has a smaller carbon footprint and partnering with the leading cloud organisations allows us to benefit from their carbon neutral data centres

Our actions



Partner with sustainable suppliers

Align procurement processes to incorporate sustainability criteria to ensure that our suppliers are aligned to our strategy.



Minimise business travel

Adcorp appreciates the environmental benefits of hybrid working and further seeks to minimise business travel to cut down on fuel consumption and reduce carbon emissions.



Employee education and awareness of the environmental crises

Adcorp believes in achieving awareness among its own employees as well as the vast number of learners which we are exposed to through awareness training on climate change and its impacts.



Improve our waste management

Partner with waste management companies to improve our waste management efforts.



Renewable energy use

Adcorp reduces scope 2 carbon emissions by using renewable electricity through solar PV panels at our head office building.



Water conservation

Adcorp is committed to responsible water consumption at our offices

CORPORATE CITIZENSHIP CONTINUED

Adcorp Place

Adcorp has made a conscious effort to reduce its impact on the environment. To improve our energy efficiency, we have installed LED lighting, motion sensors and time control switches for lights and heating, ventilation and air conditioning (HVAC) systems in our office space. The HVAC system is a water-cooled system that contributes to improved energy efficiency by reducing the energy consumption and refrigerant gas usage when compared to traditional HVAC systems. We have a solar plant installed on our rooftop, which supplements 27% (FY2023: 25%) of our electricity consumption at Adcorp Place. These initiatives are managed centrally through our building management system. We have a rainwater catchment area to harvest rainwater, which is later used for irrigation. We encourage our employees to work from home two days a week and to use virtual systems for communication. By adopting these practices, we aim to decrease our carbon footprint and create a more sustainable future.

This is the second year Adcorp is reporting on environmental data as part of our commitment to Corporate Citizenship. We are actively working to improve the completeness of our data and will establish a baseline in due course. FY2024 data is more complete than FY2023 data and will likely be used as our baseline. Apparent declines in FY2024 data performance reflect our enhanced data accuracy and completeness, not actual performance deterioration.

Water management

Reducing our freshwater consumption

During the year, we consumed 24 720kl (FY2023: 17 218kl) of municipal water across the portfolio and our tenants at Adcorp Place consumed 5 027kl (FY2023: 2 906kl) of municipal water. A total of 29 747kl (FY2023: 20 124kl) was used including our tenants.

Adcorp Place has 40kl of municipal backup water storage that allows us to operate for a full day, enhancing our business resilience and continuity. In addition, we collect the water runoff and direct it to our water catchment area which has a capacity of 400kl. This rainwater is then used to water the gardens to reduce our municipal water consumption.

Water consumption

Kilolitres (kl)	FY2024	FY2023
Adcorp Place (head office)	17 591	8 717
South African branches	5 797	7 169
Australian branches	1 332	1 332
Total	24 720	17 218
Adcorp Place (tenants)	5 027	2 906

* The FY2023 data for Australian branches has been estimated based on the FY2024 data, due to the lack of data availability for that period. Adcorp Place experienced increased workdays in the office during FY2024 compared to FY2023, resulting in the increased consumption.



Adcorp Place, rainwater catchment area with 400 kl capacity

Energy management

Our energy mix in South Africa consists of grid-supplied electricity, solar photovoltaic (PV), and diesel-generated electricity. Our facilities in Australia rely solely on grid-supplied electricity. Our total electricity consumption from all sources was 3 417 355kWh (FY2023: 2 870 361kWh).

Our commitment to renewable energy is exemplified by our solar photovoltaic (PV) installation at Adcorp Place.

Diesel consumption

Litres (l), consumed in stationary generators	FY2024	FY2023
Adcorp Place (head office)	91 054	71 991
South African branches	1 484	2 514
Total	92 538	74 505

* Assume that one litre of diesel can produce 10.55kWh of electricity under ideal conditions; however, in practice, it operates at an average efficiency rate of only 35%. Australian branches are not subjected to loadshedding and do not require diesel generators for business resilience.

Grid electricity consumption

Kilowatt hours – kWh	FY2024	FY2023
Adcorp Place (head office)	1 303 016	1 230 906
South African branches	1 071 670	736 340
Australian branches	90 150	90 150
Total	2 464 836	2 057 396
Adcorp Place (tenants)	341 872	410 302

* The FY2023 data for Australian branches has been estimated based on the FY2024 data, due to the lack of data availability for that period. Adcorp Place experienced increased workdays in the office during FY2024 compared to FY2023, resulting in the increased consumption.

Adcorp relies on electricity imported from the national grid. In South Africa, the grid is mostly powered by fossil fuels, while in Australia the grid has a higher renewable energy mix. This unfortunately results in high carbon emission factors for South Africa. While we do all we can to reduce our consumption, we are looking for innovative ways to reduce our energy consumption and resultant carbon footprint. However, this must be done in consultation with our landlords as we lease our offices.

Established in 2013, this system covers 90% of our usable roof space with over 500 panels. The 404kWp solar plant provides 27% (FY2023: 25%) of our office's electricity requirements. This translates to a significant carbon saving of 609tCO₂e (FY2023: 559tCO₂e).

Additionally, our state-of-the-art building management system and water-cooled HVAC system helps further reduce our carbon footprint.

Renewable electricity consumption – Solar PV

Adcorp Place (head office)	FY2024	FY2023
Actual yield (kilowatt hours, kWh)	610 822	537 855
Estimated Rand savings	943 646	572 392
Estimated tCO ₂ e savings	609	559

Total electricity consumption

Grid, renewable and diesel electricity – kWh	FY2024	FY2023
Total kilowatt hours (kWh)	3 417 355	2 870 361
Total portfolio electricity from renewables	20%	21%
Electricity from diesel generators	341 697 (10%)	275 110 (10%)

* To convert kilowatt hours (kWh) to gigajoules (GJ) multiply by 0.0036.

In South Africa, the national grid is under pressure and experienced the most loadshedding days in a calendar year 335 days (FY2023 205 days). Unfortunately, our solar PV panels do not generate electricity during loadshedding and we are forced to turn on our diesel generators to ensure business continuity. We consumed 92 538 litres (FY2023 74 505 litres) of diesel to run our generators at Adcorp Place and our branches. This produced approximately 341 697kWh (FY2023 275 110kWh) of electricity.



CORPORATE CITIZENSHIP CONTINUED

Waste management

Implementing waste reduction and recycling practices at our head office.

Adcorp has implemented an effective waste management programme that includes recycling bins to separate recyclable materials from non-recyclables. We partner with a waste management company to ensure that our waste is further separated and weighed on site before it is sent for recycling. Our employees receive awareness training as part of the Group's SHEQ training programme. This ensures that we achieve higher recycling rates by actively managing our waste. Most of our waste comes from general office activities and does not include hazardous materials. During the year, we recycled 22% (FY2023: 30%) of our waste. We are committed to minimising our impact on the environment by continually enhancing our sustainable waste management practices that divert waste from landfills.

Waste management

Adcorp Place – tonnes	FY2024	FY2023
Waste to landfill	19,54	14,50
Recycled waste	5,4	6,2
% recycled	22%	30%
Cans	0,39	0,23
Cardboard and paper	4,03	4,72
Plastic	0,99	1,03
Tetrapak	0,00	0,22

* We do not measure waste generation at our branches where landlords have operational control over waste management activities.



Our carbon footprint

Measurement and reduction of our carbon emissions

During the year, we enhanced our carbon footprint processes to include Australia and our scope 3 emissions. As a responsible business, managing our carbon footprint and reducing our emissions is important. **We use our FY2023 data as our baseline since we were able to improve completeness during the year.** Developing targets will need to be in partnership with our landlord at Adcorp Place.

Carbon tax

We are compliant with all carbon tax regulations. No additional carbon tax was paid above the amount already included in the fuel levy. In South Africa, the threshold is 10MWth capacity for installed generators and our diesel generators combined capacity falls below the regulated threshold. In Australia, due to the nature of our business we do not fall into the large emitters category and are not directly regulated under the carbon emission policies or incentives.

Our carbon footprint

Tonnes of carbon dioxide equivalent (tCO ₂ e)*	FY2024	FY2023
Total carbon emissions (tonnes CO₂e) – scope 1	247	204
Stationary fuel used in generators	246	201
Mobile emissions from shuttle transfers	1	3
Fugitive emissions from air conditioning and refrigeration gas refills	–	–
On-site renewable energy generation	–	–
Carbon emissions (tonnes CO₂e) – scope 2*	2 436	2 107
Purchased electricity at Adcorp Place (head office)	1 303	1 280
Purchased electricity in leased and occupied branches – South Africa	1 072	766
Purchased electricity in leased and occupied branches – Australia	61	61
Carbon emissions (tonnes CO₂e) – scope 3	760	1 360
Business travel in commercial airlines	292	742
Business travel in rental cars and transfers	8	9
Hotel accommodation	56	82
Employee travel claims and allowances	35	74
Paper consumption	17	19
Waste to landfill	10	7
Recycled waste	0,1	0,1
Electricity consumed by our tenants	342	427
Total scope 1 and 2	2 683	2 312
Total scope 1, 2 and 3	3 443	3 672

*Tenants' electricity portion was moved from scope 2 to scope 3, Australian data and scope 3 indicators were added. Renewable energy is included in scope 1 and has a zero-carbon emissions factor. We did not refill refrigerant gas during FY2023 and FY2024.

Scope 1: Direct emissions from sources owned or controlled by the Company

Scope 2: Indirect emissions from the generation of purchased electricity

Scope 3: All other indirect emissions that occur in the Company's value chain

Glossary of terms

B-BBEE	Broad-based black economic empowerment (South African legislation to promote economic transformation and address inequalities)
Corporate citizenship	Commitment to responsible business practices and embedding, 1. Sustainability and ESG, 2. Stakeholder Management, 3. Corporate Social Responsibility, and 4. Diversity, Inclusion, and Belonging
DEI committee	Diversity, equity, and inclusion committee (creates a safe space for open dialogue and learning, ultimately contributing to a more diverse and equitable workforce)
DIB	Diversity, inclusion, and belonging (a company's efforts to create a diverse and inclusive workplace)
ED	Enterprise development (initiatives aimed at supporting the growth and development of emerging businesses, particularly those owned by historically disadvantaged groups)
ESG	Environmental, social, and governance (a framework for evaluating a company's sustainability performance)
EVP	Employee value proposition (the total value an employee receives from their employer, including remuneration, benefits, and career development opportunities)
HCC	Human capital committee (a board committee responsible for overseeing human resources, nomination and remuneration matters)
HEPS	Headline earnings per share (a company's earnings per share excluding certain one-time items)
ISO	International Organisation for Standardisation (an international standard-setting body)
LTIFR	Lost-time injury frequency rate (a measure of the number of work-related injuries resulting in lost time per 100 employees working 200 000 person-hours)
PALM	Pacific Australia Labour Mobility (a scheme that allows workers from Pacific Island countries to work in Australia)
PV	Photovoltaic (relating to the conversion of light into electricity using semiconducting materials)
SDG	Sustainable Development Goals (a set of 17 global goals adopted by the United Nations to achieve a better and more sustainable future for all)
SED	Socioeconomic development (initiatives aimed at improving the social and economic wellbeing of communities)
SHEQ	Safety, health, environment, and quality (a management system that integrates these four aspects of business operations)
SMME	Small, medium, and micro-enterprises (businesses with fewer than 200 employees)
STI	Short-term incentive (a type of remuneration that rewards employees for achieving short-term goals)
TIFR	Total injury frequency rate (a measure of the number of work-related injuries per 100 employees working 200 000 person-hours, South African standard that includes first aid cases)
TRIFR	Total recordable injury frequency rate (a measure of the number of work-related injuries per 100 employees working 200 000 person-hours, Australian standard that excludes first aid cases)

Corporate information

Adcorp Holdings Limited

Registration number 1974/001804/06
Listed 1987
Share code: ADR
ISIN: ZAE000000139
Website: www.adcorpgroup.com

Registered office

Adcorp Holdings Limited
Adcorp Place
102 Western Service Road
Gallo Manor Ext 6
Johannesburg, South Africa, 2191
PO Box 70635, Bryanston
Johannesburg, South Africa, 2021
Tel: +27 (0) 10 800 0000
Email: info@adcorpgroup.com

Interim Company Secretary

Newton Chipswa
Adcorp Place
102 Western Service Road
Gallo Manor Ext 6
Johannesburg, South Africa, 2191
PO Box 70635, Bryanston
Johannesburg, South Africa, 2021
Tel: +27 (0) 10 800 0000
Email: companysecretary@adcorpgroup.com

Investor relations

Singular Systems IR
Michèle Mackey
25 Scott Street, Waverley
Johannesburg, South Africa, 2090
PO Box 785261, Sandton, 2146
Tel: +27(0) 10 003 0661
Email: michele@singular.co.za

Auditor

KPMG
58 Empire Road, Parktown
Johannesburg, 2193
Tel: +27(0) 11 647 7111

Legal advisers

Eversheds Sutherland SA
3rd Floor, 54 Melrose Boulevard
Melrose Arch, Melrose North
Johannesburg, South Africa, 2196
PO Box 782244, Sandton City, 2146
Tel: +27 (0) 87 358 9857
Email: petervanniekerk@eversheds-sutherland.co.za

Transfer secretaries

CTSE Registry Services (Pty) Ltd
5th Floor, Block B
The Woodstock Exchange Building
66-68 Albert Road, Woodstock, Cape Town
South Africa, 7915
Tel: +27 (0) 11 100 8352
Email: adcorp@4axregistry.co.za

Sponsors

Valeo Capital Proprietary Limited
Unit 12 Paardevlei Specialist Centre
Somerset West, 7130
Tel: +27 (0) 21 851 0091
Email: info@valeocapital.co.za



www.adcorpgroup.com