



adcorp

Connecting Human Potential

## CORPORATE CITIZENSHIP REPORT

Connecting human potential, building a  
sustainable future

2026

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Stakeholder metrics	ESG metrics	DEIB metrics	CSR metrics
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Our stakeholders	Social – our employees	Workforce demographics and diversity	CSR at Adcorp
Mutually beneficial relationships	Governance	Training	Skills development for unemployed youth
Respecting human rights		B-BBEE scorecard	International labour mobility
Responsible lobbying and public influence			Support for small businesses
			Support for communities
			Volunteerism and charitable giving

# 01 INTRODUCTION

## About this report

Adcorp's third corporate citizenship report was prepared with our stakeholders' information needs in mind, while aligning with regulatory requirements and best practices, and offering relevant information.

### Scope and boundary

This 2026 corporate citizenship report details our strategic journey, governance structures, corporate citizenship performance and related risk and opportunities for the period 1 March 2025 to 28 February 2026. This report covers our primary geographical footprints in South Africa and Australia and serves as an important supplement to our FY2026 integrated annual report.

### Our reporting suite



Integrated annual report

Corporate citizenship report

Notice of annual general meeting

Annual financial statements

### Reporting frameworks and standards

To ensure comparability and global best practice, this report is prepared in alignment with, or with reference to:

- **King IV™:** The South African code for corporate governance and ethical leadership.
- **Johannesburg Stock Exchange (JSE)** listing requirements, including the JSE sustainability disclosure guidance.
- **International Financial Reporting Standards (IFRS) S1 and S2:** General requirements for sustainability and climate-related financial disclosures.
- **IFRS Sustainability Accounting Standards Board (SASB):** Sector-specific environmental, social and governance (ESG) disclosures for professional and commercial services.
- **Global Reporting Initiative (GRI):** Reporting standards for material disclosures.
- **UN Global Compact (UNGC):** Principles for responsible and ethical business conduct.
- **UN Sustainable Development Goals (SDGs):** Alignment with global development priorities.

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### 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.

### Data disclaimer

While our environmental, social, and governance (ESG) data is publicly available, we cannot guarantee that inferring numbers by calculating various indicators from this data will yield accurate results.

### Feedback

We value your feedback. Please send comments to [corporatetcitizenship@adcorpgroup.com](mailto:corporatetcitizenship@adcorpgroup.com)

### Navigating our reports

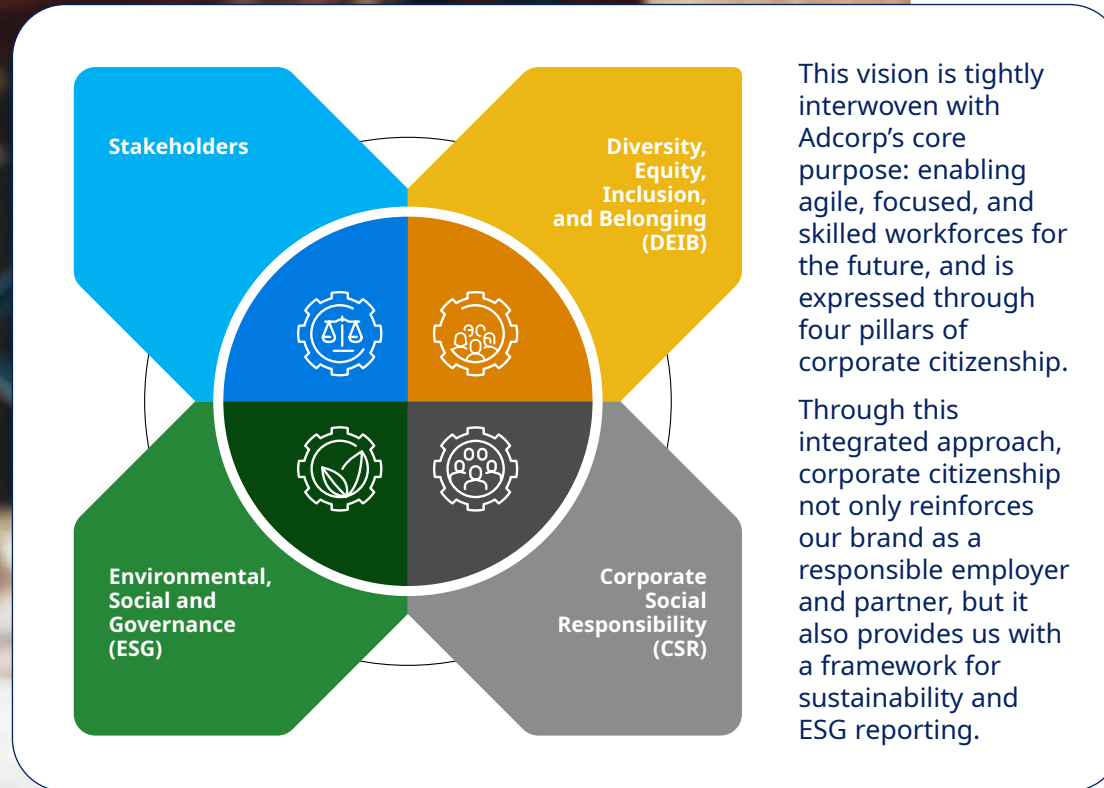
For ease of reference and further reading, the following icons are used to navigate in our reports:

- Further reference in this report.
- Further reference in the integrated annual report.
- Further reference on [www.adcorpgroup.com](http://www.adcorpgroup.com) and external links.

## What is corporate citizenship at Adcorp?

Corporate citizenship is Adcorp's sustainability strategy.

As a workforce solutions business, our approach is inherently people-centred, sitting alongside a strong focus on environmental and governance commitments.



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

**i** For more information on our strategy refer to **page 20** of this report.



Dr John Wentzel  
CEO

## CEO's message

“ Adcorp Horizon will enable us to deliver technology-enabled workforce solutions, where Adcorp is investing heavily in AI to place the company at the forefront of the changes in the world of work.”

As we reflect on FY2026, Adcorp stands at a moment of genuine strategic transition. We have successfully closed out our Brandshift Adcorp strategy, the turnaround programme that stabilised this business. We have returned it to profitability, eliminated its debt, and delivered consistent returns to shareholders over the past five years. Now we have launched a new strategy, Adcorp Horizon, that positions our Group for the next phase of its journey. With this report, we share how corporate citizenship remains central to who we are and where we are going.

### Adcorp Horizon and corporate citizenship

Adcorp Horizon represents a significant repositioning of the group. We are moving from a workforce solutions business to a technology-enabled workforce solutions business, expanding beyond South Africa and Australia into selected Africa markets and the Middle East. Under Horizon, we are evolving our service mix toward higher-volume outsourcing, managed services, and outcome-based workforce solutions, while our core workforce deployment operations continue to create meaningful employment for thousands of people across our markets. We are embedding artificial intelligence (AI) and technology as Group infrastructure through Project Raptor, and we are focusing deliberately on quality of earnings rather than revenue growth alone.

What does this mean for corporate citizenship? Everything. As we transform, the principles that guide how we treat people, how we engage with communities, and how we conduct ourselves as a responsible business become more important, not less. Our corporate citizenship strategy, built on four interconnected pillars: stakeholders, ESG, DEIB and CSR is fully integrated into the Adcorp Horizon strategy. As we expand into new geographies and service models,

corporate citizenship travels with us. It is embedded in our governance, our compliance frameworks, and our approach to every workforce we deploy. Our purpose has not changed: to enable agile, focused, and skilled workforces for the future. Nor have our values, agility, client centricity, diversity and inclusion, respect and teamwork. These remain the foundation upon which everything is built. In the absence of that foundation, nothing else works.

### Championing diversity in a changing world

Over the past year, we have witnessed a troubling global swing toward intolerance and nationalism. We see the growth of movements that roll back what people have fought for over many years; the recognition of the equality of women, respect for minorities, and acceptance of people who may not fit into traditional categories. Far less focus is being placed on ESG in mainstream corporate reporting than even three or four years ago. Civil liberties that many took for granted are under pressure. We have, however, increased our corporate citizenship efforts and expect our supply chain partners to do the same.

Despite the global headwinds, Adcorp remains committed to these principles and so do many of the leading businesses we work alongside. Our major clients increasingly require their partners to demonstrate credible ESG performance. Corporate citizenship is not only the right thing to do; it is a commercial necessity in the markets where we compete. We believe climate change is real and demands serious action. We believe in respect for every person, regardless of their belief systems, their gender, their sexual orientation, or their abilities. We have zero tolerance for discrimination, internally and across our value chain. In a world that is hardening, Adcorp will not harden with it. We stand firm, and we stand in good company.

### Navigating our business environments

Both our key markets present distinct challenges and, this year, a notable shift in outlook. In South Africa, we are more optimistic than we were a year ago. Load shedding has largely disappeared. While water shedding remains a concern, at least there is acknowledgment of the need to address it. We are seeing early signs that major state-owned enterprises are starting to stabilise and improve. The government of national unity has proven more business-friendly than initially feared, and there is a growing willingness to confront corruption at the highest levels. These are tentative but encouraging steps. South Africa's challenges remain deep with high unemployment, poverty, inequality, and economic volatility, but the direction of travel gives us reason for cautious optimism. When our clients thrive, so do we.

In Australia, we are somewhat more cautious than a year ago. A persistent cost-of-living crisis, rising inflation, and political instability are creating headwinds. Despite pressures, structural labour shortages in healthcare, aged care, logistics, and construction continue to create demand for reliable, large-scale workforce solutions that Adcorp provides. We continue to actively support labour mobility through programmes like the Pacific Australia Labour Mobility (PALM) scheme, helping them improve their lives while contributing to critical workforce needs.

## Safer workplaces, zero fatalities

Last year, I wrote with deep sadness about the loss of three individuals connected to our operations. That loss weighed heavily on all of us and strengthened our resolve to do everything within our power to prevent such tragedies.

I am thankful to report that in FY2026, we recorded zero fatalities across our operations. While we celebrate this milestone, we remain humble in the knowledge that every person across our more than 1 000 client sites is far more than a statistic; they are individuals with unique passions and dreams whose safety remains our most fundamental moral obligation. This would not have been possible without the dedication of our safety, health, environment and quality (SHEQ) team, the commitment of our clients to maintaining safe working environments, and the care and awareness shown by every person working across our client sites. We have invested significantly in new strategies and technologies, strengthening our SHEQ capabilities, enhancing our training programmes, improving incident reporting systems, and proactive risk management tools.

## Looking ahead

Adcorp Horizon is forward-looking by design. It is about positioning this Group for the next five years, expanding into new geographies, embedding technology at our core, moving up the value chain, and building a business that is both robust and resilient. But it is equally about ensuring that, as we grow, we never lose sight of our responsibility to the people and communities we serve.

At the end of the day, this business is about people. That is all we have. The building is just a building. The software is just software. It is the people who make this company what it is.

## Appreciation

I want to extend my deepest thanks, first, to our employees for their resilience and continued belief. The results have once again demonstrated the resilience of this business; our results are the product of thousands of people across South Africa and Australia who have worked hard, shown resilience, and believed in the future of this company.

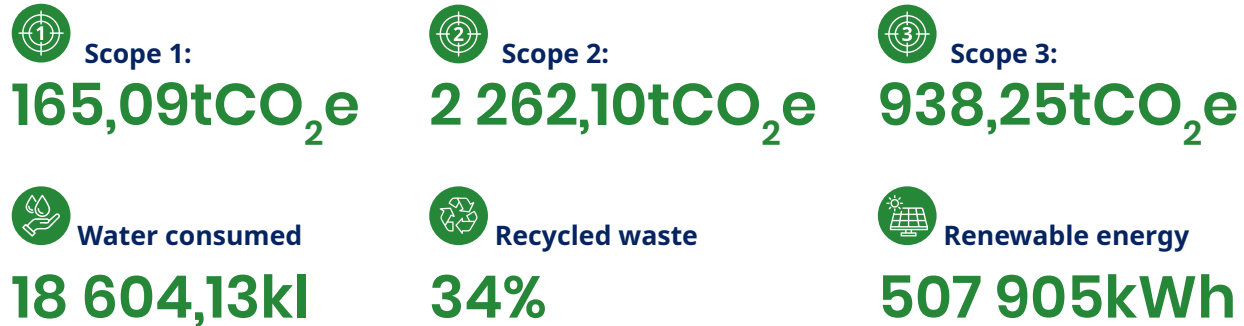
I also want to thank our clients, who place their trust in us to support their businesses and work alongside us to create safer and more inclusive workspaces; our board of directors, whose steady guidance helps us stay on the right path; and all our stakeholders, whose ongoing support makes our progress possible.

*Dr John Wentzel*  
CEO

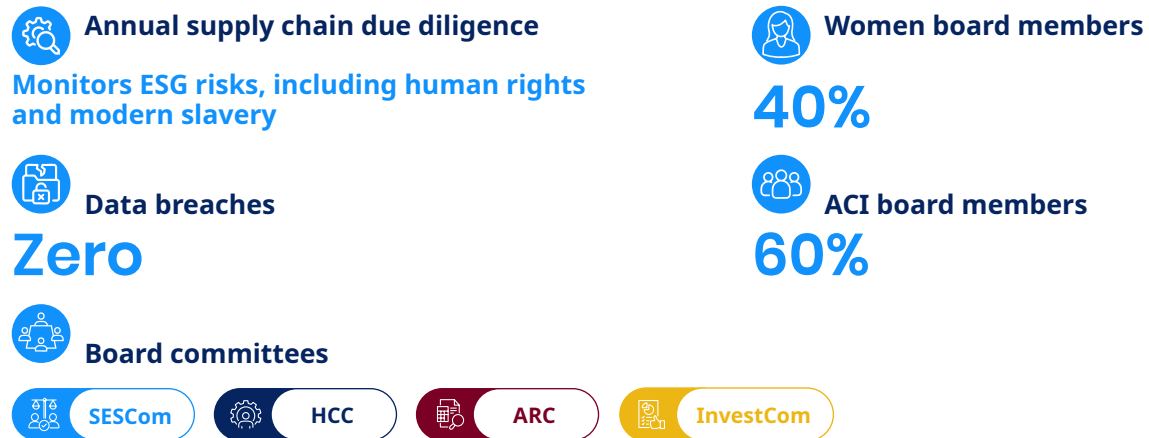


# 2026 highlights and metrics

## Environmental



## Governance



## Social

Total workforce of **48 501** made up of:



ACI: African, Coloured and Indian

SED: Socioeconomic development

ESD: Enterprise and supplier development

SMMEs: Small, micro and medium-sized enterprises

Stakeholder sentiment



Client satisfaction index

**85%**  
operational

**82%**  
strategic



Employee engagement scores

 **South Africa 67%**  
(87% participation rate)

 **Australia 67%**  
(73% participation rate)

**Level 1 B-BBEE**

Adcorp Workforce Solutions Proprietary Limited

EcoVadis Commitment Badge: **57%**



**Active double materiality assessment**  
we know what matters

Key ESG-related policies

1. Code of ethics
2. Supplier code of conduct
3. Corporate citizenship policy
4. Stakeholder policy
5. Transformation policy
6. Environmental sustainability policy
7. Occupational safety, health, environment, risk and quality policy
8. Human rights statement
9. Modern slavery statement
10. Just Transition statement



# Who we are

Adcorp is a leading workforce solutions company with a proud history of connecting people to meaningful work since 1975. Listed on the JSE, the Group operates across South Africa and Australia, helping organisations access agile, skilled and future-ready talent while opening pathways to opportunity for thousands of people every day.

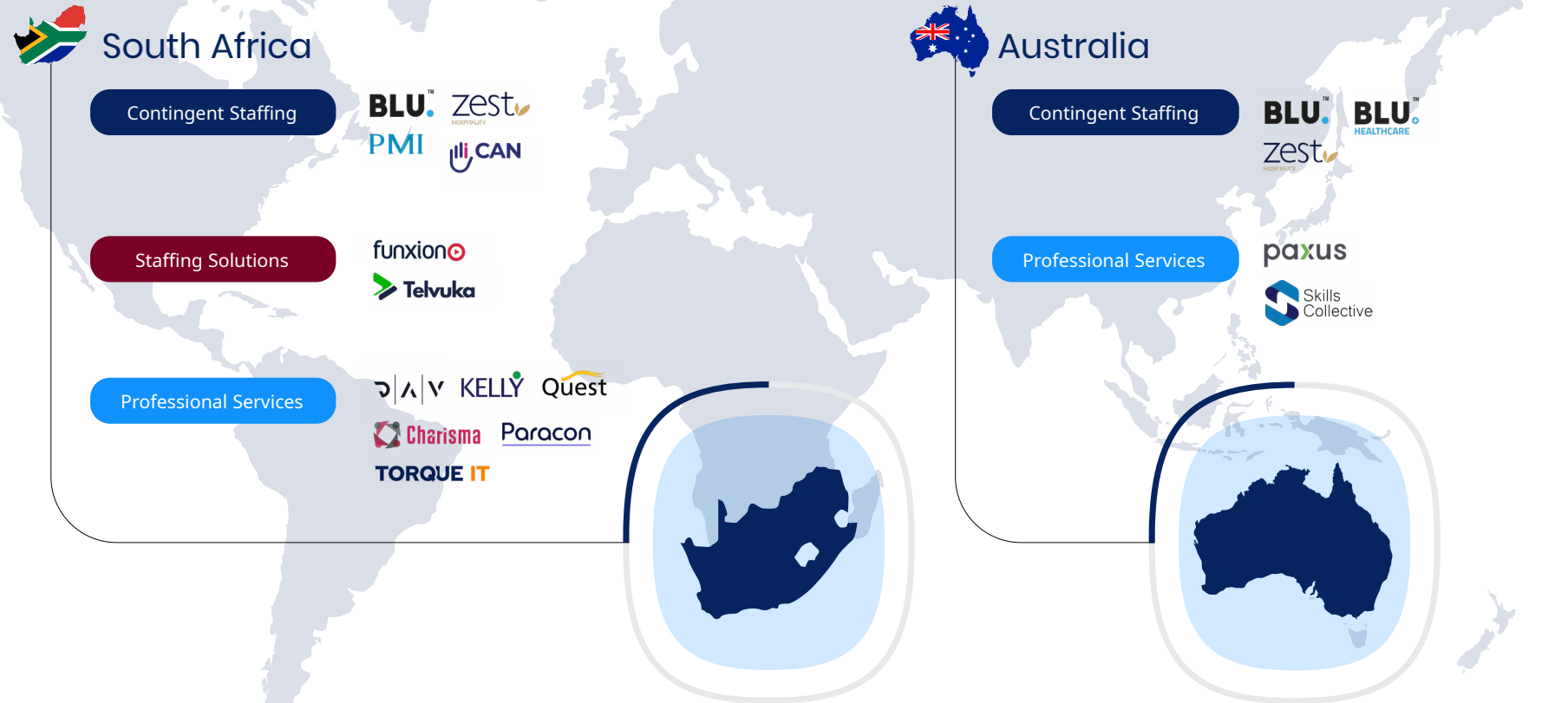
As one of the largest listed staffing companies globally and the largest listed workforce solutions company in Africa, Adcorp combines scale, specialist expertise and established client relationships to serve a broad range of sectors and workforce needs. Through our portfolio of trusted brands, we provide integrated solutions that support clients across the workforce lifecycle, from attracting and developing talent to managing workforce performance, wellbeing, outsourcing and workforce transition.

## Our operating model

Our operating model is built around a portfolio of specialised brands, each with a clear market role and strong domain expertise. This structure allows us to bring together broad workforce capability and deep sector insight, while giving clients access to targeted solutions that address specific talent, outsourcing and operational needs.

- **Contingent Staffing** – We provide flexible, compliant and scalable workforce solutions across sectors such as manufacturing, logistics, fast-moving consumer goods (FMCG), hospitality, agriculture, healthcare and transport.
- **Professional Services** – We deliver specialist recruitment, managed talent solutions and skills development across white-collar, executive, digital and technical fields.
- **Staffing Solutions** – We help clients improve efficiency and focus on their core operations through outsourced services that simplify complexity and enhance performance.

Together, these capabilities enable us to respond to clients' changing workforce requirements with tailored, practical and scalable solutions. Our model combines sector depth with operational reach, allowing us to support clients in both high-volume and specialised talent environments.



Headquartered in Johannesburg, South Africa, Adcorp employs more than 48 500 employees. In FY2026, we maintained a significant operational scale, managing a daily workforce of over 46 700 operational employees, encompassing our deployed employees, contingent workforce and independent contractors across various industries in South Africa and Australia.

## The workforce lifecycle

Adcorp supports clients across all six stages of the workforce lifecycle. This enables us to provide a more integrated and enduring response to workforce needs, rather than a single-point service offering. Our solutions span:



This lifecycle approach strengthens our relevance to clients by allowing us to support workforce planning, productivity and resilience in a more connected way. It also reflects how we think about value creation: not only placing people into work, but helping businesses build workforces that are capable, compliant, productive and adaptable.



## Our role in evolving employment models and workforce transformation

Our impact extends beyond employment alone. We also invest in technology, learning, skills development, reskilling and workforce enablement to help individuals and organisations prepare for, and adapt to, the changing world of work. Adcorp's view of the future of work focuses on AI enabled workforce solutions, evolving client talent needs, and the availability, wellbeing and adaptability of skills across multiple labour markets.

By combining dignified employment opportunities with future-focused training and workforce solutions, Adcorp contributes to business performance, individual progress and broader socioeconomic participation. In this way, our work supports not only our clients' immediate needs, but also the longer-term development of talent communities and more inclusive labour markets.

## 02 WHAT IS MATERIAL TO OUR BUSINESS

### Our double materiality approach

Adcorp’s approach to double materiality evaluates material factors through two distinct lenses to ensure a comprehensive view of our sustainability impact.

Our double materiality assessment (DMA) focuses on impact materiality, which measures how the Group affects the economy, people, and the environment, alongside financial materiality, which identifies inward sustainability-related risks and opportunities that may affect the Company’s enterprise value, cash flow or share price.

This process is closely aligned with international best practices and reporting standards, including King V for its stakeholder-inclusive approach, IFRS S1 and S2 (incorporating SASB industry standards), GRI for impact materiality, and AA1000SES for robust stakeholder engagement. Between November 2025 and April 2026, the Group executed a rigorous four-step process to finalise this assessment.

- 1 **Scan:**  
Building a comprehensive factor list
- 2 **Focus:**  
Clustering and framing core matters
- 3 **Calibrate:**  
Assessing dual materiality lenses
- 4 **Integrate:**  
Strategic activation and alignment with Group risks

### Our material matters

Based on the DMA conducted for FY2026, nine key material matters were identified and linked to the group’s top risks. These matters represent the factors that have the most significant impact on Adcorp’s ability to create value over the short, medium, and long term, and are categorised into four areas.

Category	Material matter	Description
Economic	Adcorp Horizon	Implementing the Adcorp Horizon strategy, which involves transitioning from traditional transactional staffing to outcome-based managed services, and scaling operations into East and North Africa, and the Middle East (AME).
	Technology and AI transformation	Embedding proprietary AI frameworks (such as Project Raptor) and digital platforms at the core of the business to automate pricing, talent matching, and compliance, thereby reducing revenue leakage and driving operational efficiency.
	Effective capital allocation	Exercising disciplined financial management and capital deployment based on changing business needs, ensuring the Group maintains an asset-light model that funds regional expansion.
	Client centricity and service delivery	Meeting evolving client needs, shifting towards outsourcing, managed services, employer of record, and outcome-based workforce solutions.
Environmental	Climate change and the Just Transition	Managing the transitional and physical impacts of climate change on the client base and proactively positioning Adcorp as a ‘Just Transition’ partner by training and upskilling workers to meet the demands of the green economy.
Social	Talent attraction, retention, and building capacity for scarce skills	Cultivating an agile, high-performance culture and developing the leadership depth necessary to run the complex, multi-market operations and tech-enabled service models demanded by the new strategy.
	Dignified working conditions	Enforcing an absolute zero-tolerance approach to modern slavery and ensuring fair, equitable, and dignified labour practices, which is crucial for maintaining the business’s social licence to operate.
	Safety and wellbeing	Implementing best-in-class safety protocols and proactive risk management to protect the overall wellbeing of the workforce, particularly the thousands of operational employees operating in client environments (intellectual, physical, emotional, and financial wellbeing).
Governance	Responsible data and technology governance	Safeguarding data privacy, managing severe cybersecurity threats, and ensuring the overall operational resilience of the Group’s digital and IT infrastructure to prevent catastrophic business disruptions.

# Corporate citizenship-related risks and opportunities

## Risks

The audit and risk committee (ARC) holds overall responsibility for risk management oversight, but the board specifically delegates the oversight of corporate citizenship matters to the social, ethics, and sustainability committee (SESCoM). Operationally, the Head of Sustainability works closely with the Head of Risk and Compliance to integrate these sustainability considerations directly into the ERM framework.

Through the DMA, Adcorp identifies the material matters that are most important for the business as discussed above, and the enterprise risk management (ERM) framework translates these material matters into actively managed risks. Each risk is assessed for its likelihood and financial magnitude and assigned owners and specific controls. A detailed description of our risk management framework can be found in the FY2026 integrated annual report. In this report we only focus on our key corporate citizenship-related risks.



### Environmental

#### Risk

**Failure to adapt to climate-related risks (physical and transitional):** The inability to respond to physical impacts (e.g., extreme weather, supply chain disruption) and transitional risks (e.g., regulation, market shifts), potentially resulting in operational disruption, higher costs, and reputational damage.

#### Mitigating actions

**Physical risks:** Ensuring resilient operations, updating disaster recovery and crisis management plans annually, monitoring clients' risks, and maintaining a diverse client base.

**Transitional risks:** Embracing digitalisation, hybrid work models where practical, and employee upskilling, while exploring renewable energy, resource efficiencies, and new market access.

### Social

#### Risk

**Employee attraction and retention risk:** Difficulty attracting and retaining talent and sustaining morale due to limited growth, recognition, or cultural fit, driving high turnover and lower engagement.

#### Mitigating actions

Conducting market related salary benchmarking, maintaining a hybrid work policy, and investing in skills development and training. An approved employee attraction plan and employee value proposition (EVP) are in place. Offering mentorship opportunities, employee engagement initiatives, and succession planning. Implementing revised long-term and short-term incentives, properly defined KPIs, and longer notice periods for critical roles.

**Modern slavery:** The risk that forced labour, human trafficking, or other modern slavery forms may occur in direct operations or the supply chain, exposing Adcorp to legal, reputational, and ethical risks.

Maintaining a robust modern slavery statement, conducting supply chain due diligence, and providing employee training and awareness. Developing global standards for entering new markets where modern slavery risks are heightened.

**Risk of reputational damage and erosion of stakeholder trust:** Actual or perceived ethical lapses, inappropriate actions, or failure to respond to issues may damage Adcorp's reputation and erode stakeholder trust.

Maintaining strong ethical standards, appointing a Head of Sustainability, a Head of Risk and Compliance and maintaining an operational SESCOm. Company-wide values training, enforcing a Code of Ethics, and a robust public relations strategy and crisis management plan with post-crisis reviews.

**Occupational health and safety:** The risk of fatal incidents among operational employees at client sites, particularly where Adcorp lacks direct operational control over SHEQ standards.

Amending the temporary employment services (TES) master standard agreement to allow the Adcorp SHEQ team to inspect client sites and participate in investigations. Conducting critical risk control verifications with clients, ensuring SHEQ inductions and weekly toolbox talks, using an independent third party for ad hoc audits, and maintaining an online SHEQ tool in South Africa and Australia.

Governance

Risk

**Cyberattack:** The risk of malicious activities (e.g., phishing, ransomware, denial of service (DoS) attacks) compromising the confidentiality, integrity, or availability of Adcorp's digital systems and data.

Mitigating actions

Appointing a reputable provider for managed detection and response services using state-of-the-art technology. Conducting continuous user awareness training, migrating to secure cloud applications, completing successful disaster recovery tests, and privileged access management.

**Infrastructure failure (South Africa):** South African infrastructure constraints (including energy, water, telecommunications, and transport) disrupt the operations of clients and the sectors the Group serves, reducing the demand for services and translating into a loss of business.

Maintaining business continuity plans and conducting regular testing. Diversifying operations across geographies, and monitoring South African infrastructure dependencies to ensure operational resilience.

**Loss of B-BBEE level 1 status:** The risk of losing B-BBEE Level 1 status or Black ownership requirements, which could negatively impact eligibility for contracts, reduce market competitiveness, and damage stakeholder relationships.

Maintaining robust B-BBEE governance processes, monitoring ownership structures. Ensuring ongoing compliance with the B-BBEE act, Employment Equity Act (EEA), and relevant codes. Conducting regular B-BBEE audits and proactively managing transformation targets.

**Ethics and conduct risk:** Unethical or illegal conduct internally or via third parties, leading to legal penalties, financial loss, reputational harm, and weakened trust.

Enforcing a robust anti-bribery and corruption policy aligned to King V, conducting regular employee training, and maintaining whistleblower mechanisms. Maintaining regular audits and automated financial controls within the finance system.

**Regulatory compliance:** Failure to comply with regulatory requirements could result in significant financial penalties, legal consequences, reputational damage, and operational disruption.

Maintaining the approved Group compliance framework via the ARC and implementing a digital risk platform. Holding monthly compliance forums, conducting compliance training, performing regular internal audits, and constantly monitoring the regulatory environment to update policies.

Opportunities

Beyond risk mitigation, we proactively pursue strategic opportunities that reinforce Adcorp's reputation as a supplier of choice.

Compliance and ethics as a commercial differentiator

Rather than viewing corporate citizenship as a reporting obligation, we are embedding worker welfare and human rights standards directly into our commercial value proposition. By maintaining robust human rights safeguards and strict standards for living conditions (particularly in cross-border deployments), Adcorp creates a significant competitive advantage in winning large-scale enterprise and government contracts where ethical procurement is a non-negotiable priority.

Strategic reskilling for the green economy

As industries transition toward a low-carbon future, there is an escalating demand for green skills and specialist expertise in areas like supply chain resilience and risk mitigation. Adcorp is positioned to lead this shift by developing specialist talent pools that support a Just Transition. This ensures our clients have access to the future-fit skills required for long-term economic viability while simultaneously advancing global climate goals.

Tech-enabled talent mobility in uncertain markets

In an era of geopolitical and macroeconomic volatility, clients increasingly value agility over fixed labour costs. Adcorp leverages its technology-enabled infrastructure platform to facilitate cross-border workforce planning and rapid talent mobility. By providing flexible, outsourced talent models and facilitating new market entries, we help clients navigate disruption and future-proof their workforce strategies.

Information security and digital trust

In high-regulation sectors such as banking, healthcare, and insurance, information security has become a primary procurement driver. By aligning our information governance with global best practices and demonstrating high levels of digital resilience, Adcorp positions itself as a trusted partner. This commitment to data privacy and ethical AI use serves as a key differentiator, attracting clients who prioritise secure and transparent digital transformation.





Following the DMA conducted for FY2026, below is a strategic update to our ongoing contribution to the global 'blueprint' of the UN SDGs. By deliberately linking our material matters with these international benchmarks, we continue to channel Adcorp's corporate resources, operational footprint, and workforce expertise to drive scalable, sustainable impact across all our operating geographies.

Category	Material matter	Primary aligned SDG	Specific SDG target and Adcorp's strategic contribution
Economic	Adcorp Horizon	<b>SDG 8:</b> Decent work and economic growth	<b>Target 8.7 and 17.17:</b> Expanding sustainable workforce models across diverse global markets while ensuring absolute regulatory and ethical compliance.
	Technology and AI transformation	<b>SDG 17:</b> Partnerships for the goals	<b>Target 17.17:</b> Utilising proprietary digital frameworks (e.g., Project Raptor) to optimise compliance and operational efficiency across value chains.
	Effective capital allocation	<b>SDG 8:</b> Decent work and economic growth	<b>Target 8.7:</b> Funding asset-light expansion that sustains formal employment and reliable economic opportunities.
	Client centricity and service delivery	<b>SDG 17:</b> Partnerships for the goals	<b>Target 17.17:</b> Partnering with industry bodies (CAPES, APSCo) to continuously adapt workforce models to evolving sectoral shifts.
Environmental	Climate change and the Just Transition	<b>SDG 4:</b> Quality education	<b>Target 4.4:</b> Upskilling and developing specialist talent pools equipped with future-fit skills to meet the labour demands of a low-carbon economy.
Social	Talent attraction, retention and building capacity for scarce skills	<b>SDG 4:</b> Quality education	<b>Target 4.4 and 10.2:</b> Expanding high-impact internships, learnerships, and targeted programmes (via our PMI and iCAN brands) to address the market skills gap and drive economic transformation.
		<b>SDG 10:</b> Reduced inequalities	
	Dignified working conditions	<b>SDG 8:</b> Decent work and economic growth	<b>Target 8.7:</b> Enforcing a rigorous, zero-tolerance approach to modern slavery and human rights violations supported by the formal Group Supplier Code of Conduct.
	Safety and wellbeing	<b>SDG 3:</b> Good health and wellbeing	<b>Target 3.4 and 3.9:</b> Scaling physical, emotional, financial, and intellectual wellbeing initiatives while maintaining strict SHEQ protocols for our employees in high-risk environments.
Governance	Responsible data and technology governance	<b>SDG 17:</b> Partnerships for the goals	<b>Target 17.17:</b> Securing data privacy, safeguarding against cybersecurity risks, and establishing transparent information security as a commercial differentiator.

## 03 CORPORATE CITIZENSHIP AT ADCORP



**Ronel van Dijk**  
Chairperson SESCom

# Social, ethics and sustainability committee chairperson's report

“ At Adcorp, we believe that true corporate citizenship is measured by our ability to move society forward through the dignity of work. By providing easy access to the labour market and creating flexible work opportunities where previously there were none, we empower individuals to gain the vital experience they need to thrive. This commitment is the heartbeat of our business, connecting human potential to build a sustainable and inclusive future for all.”

SESCoM ensures that social, ethics and sustainability considerations are embedded in daily decision-making as the business scales and enters more complex markets. The committee plays a key role in ensuring that growth is guided by strong ethical controls, supports responsible corporate citizenship, and protects Adcorp's social licence to operate. In doing so, it reinforces the Group's purpose of creating sustainable value and enabling access to dignified work opportunities.

### Mandate and governance

During the reporting period, the committee performed a comprehensive review of its terms of reference to ensure alignment with the evolving governance landscape, including the upcoming Code on Corporate Governance for South Africa 2025 (King V). The mandate was updated to clarify the committee's role regarding fair, equitable and responsible pay, ensuring SESCom oversees the fairness elements of remuneration while the human capital committee (HCC) handles the technical aspects. Furthermore, the mandate was strengthened to explicitly include oversight of climate governance, ESG data integrity, and digital and AI ethics.

The committee members remained unchanged during the year, comprising three independent, non-executive directors who bring objective oversight to our deliberations:

- **R van Dijk** (Chairperson and independent non-executive director);
- **Dr P Mnganga** (Lead independent non-executive director and chairperson of the HCC); and
- **T Mokgabudi** (Independent non-executive director and chairperson of the ARC).

### Responsibilities

The SESCom has an independent oversight role and reports on organisational ethics, corporate citizenship, sustainable development, health and safety, and stakeholder relationships. The committee assists the board in facilitating and supporting the Group's transformation objectives, promoting an ethical culture, and ensuring that Adcorp conducts itself as a responsible corporate citizen.

## Policies and statements

Strong policies and statements are critical as they form the foundational guardrails of our ethical standards, ensure regulatory compliance, and mitigate severe risks such as modern slavery and human rights violations. They promote consistent application of our responsible business conduct across all divisions and across all geographies.

Below is the breakdown of the policies and statements overseen by SESCom, categorised into those that were new or revised in FY2026, and those that remained unchanged from previous years:

### Policies and statements revised in FY2026

**Anti-competitive behaviour policy:** Broadened to formally incorporate both South African and Australian competition law frameworks.

**Code of ethics:** Comprehensively updated to strengthen whistleblower protections and explicitly include human rights, modern slavery, ESG, data privacy, and cybersecurity.

**Conflict of interest and disclosure policy:** Revised to strengthen governance alignment and improve declarations and escalation protocols.

**DEIB terms of reference (South Africa):** Updated to explicitly reference 'belonging'.

**Environmental sustainability policy:** A completely new policy introduced this year.

**Human rights statement:** Upgraded to include specific clauses meeting international standards and tender expectations.

**Modern slavery statement:** Updated as a look-back at the progress made over the past financial year.

**Right to disconnect policy (Australia):** Developed to comply with new legislation effective from August 2024.

**Stakeholder engagement policy:** Updated to integrate requirements for double materiality and stakeholder assessments.

**Supplier code of conduct:** Extensively updated to incorporate strict ESG, anti-bribery, and modern slavery clauses.

**Whistleblowing policy:** Updated to provide clarity on the terminology used for forensic investigations.

### Other existing policies

**Corporate citizenship policy**

**Family and domestic violence policy (Australia):** Successfully implemented following its introduction in FY2025.

**Just Transition statement**

**Sponsorships, donations and charitable giving policy**

**Transformation policy (South Africa)**



## Progress in FY2026

**ESG performance:** We successfully completed our DMA to identify material impacts, risks and opportunities, confirming our corporate citizenship programme is maturing to a proactive level. We also continued to strengthen our data management by embarking on a project to refine our ESG data management system, improving accuracy, consistency, and alignment with IFRS S1, S2 and SASB reporting standards.

**SHEQ:** We adopted a comparative performance approach for safety, removing numerical injury targets to ensure we do not inadvertently set an 'acceptable' level of harm. The Group's lost time injury frequency rate (LTIFR) trended below prior-year rates and industry benchmarks.

**Stakeholder engagement:** We shifted our stakeholder categorisation to a functional model and successfully transitioned to brand-level stakeholder registers managed out of the CEO's office. This centralised 'early warning system' proved highly effective, enabling a rapid and effective management response.

**Supply chain ESG:** We transitioned our supplier ESG due diligence from a pilot to a structured programme targeting key suppliers with a spend exceeding R1 million in South Africa or AU\$100 000 in Australia. To support suppliers, we rolled out an on-demand podcast and approved a significantly enhanced Supplier Code of Conduct.

**DEIB:** In collaboration with the HCC, we continued to embed DEIB principles into the EVP by rolling out the total rewards statement (TRS) to the Exco and Exco minus one level, which quantifies the financial value of benefits like employee bursaries, birthday and volunteer leave.

**Community impact:** Volunteer leave across South Africa and Australia continues to foster community impact and team camaraderie. While overall participation decreased slightly, employees engaged in highly meaningful initiatives, such as supporting sanitary product and food drives in South Africa, and Australian teams partnering with Ronald McDonald House to support families with sick children in hospital.

**B-BBEE and employment equity:** Adcorp Workforce Solutions successfully maintained its Level 1 B-BBEE contributor status. We actively monitored proposed amendments to the B-BBEE Codes of Good Practice, including initiating financial modelling for the government's proposed Transformation Fund. We also commenced early implementation and monitoring of the newly approved five-year employment equity sectoral targets.

**Fair, equitable and responsible remuneration:** The committee's terms of reference were updated to explicitly clarify SESCom's role to oversee whether remuneration outcomes are fair, ethical and socially responsible, while the HCC continues to focus on remuneration philosophy, design and decisions.

**Skills development:** We shifted from fragmented learning activities to an integrated, capability-led approach by launching Workday Learning as a centralised training ecosystem, achieving 2 489 course enrolments. We also maintained our Youth Scholarship programme for returning students and facilitated compliance and harassment training for employees in Australia via the Go1 learning platform integrated into Employment Hero.

## Focus areas in FY2027

### Compliance with King V

We will proactively execute our transition plan for the implementation of the King V code. This includes embedding the 'apply and explain' disclosure regime, tracking outcomes-based governance principles, and formally adopting the Ubuntu-Botho philosophy into our stakeholder and ethics frameworks.

### Standards for new markets

As the Adcorp Horizon strategy accelerates expansion into AME, we will establish non-negotiable minimum ethical and governance standards. This ensures Adcorp's purpose, values, and employee protections are upheld even in international jurisdictions.

### Ethical use of AI

To support the Group's transition to a technology enabled workforce solutions business, we will establish robust frameworks governing the ethical development and use of AI (including Project Raptor). This will ensure AI deployment strictly adheres to our human rights, data privacy, and fairness standards.

### Group consistency and value chain governance

Leveraging the newly formalised Group Governance function, we will drive consistency in our stakeholder, ESG, and CSR approaches across all divisions. We will also execute the next phases of our supplier ESG due diligence journey, officially integrating the new Supplier Code of Conduct into procurement processes and supplier contracts.

## Looking ahead

Looking ahead, the SESCom is dedicated to supporting the successful implementation of Adcorp Horizon. We remain focused on ensuring that ethical and sustainable practices are deeply embedded as the Group transitions to a technology-enabled workforce solutions business.

## Appreciation

The progress achieved during the year is a direct reflection of the shared commitment and collective effort of our stakeholders.

Sincere appreciation is extended to management for their strategic leadership and proactive ownership of these initiatives, to our fellow board members for their robust governance and guidance, and to our employees whose daily commitment drives the practical execution of our policies on the ground. We also acknowledge our suppliers, clients, and broader social partners for their ongoing collaboration. It is through this combined dedication that the Group continues to advance its transformation, social responsibility, and sustainability commitments effectively.

**Ronel van Dijk**  
Chairperson SESCom

# Governance of corporate citizenship

At Adcorp, we believe that robust governance is the key enabler of our corporate citizenship vision: To foster fair and efficient labour markets by providing decent and dignified work, creating value for our clients and employees and ultimately contributing to a sustainable future.

Our governance framework is designed to ensure that corporate citizenship is not an incidental activity but a central business priority. While the Group is currently reviewing the King V code for formal implementation in FY2027, our governance for the current period remains firmly rooted in the principles of King IV.

The board maintains ultimate accountability for Adcorp's standing as a responsible corporate citizen, providing the strategic oversight necessary to navigate the complexities of the global labour market. This ensures that every decision we make, from South Africa to Australia, is guided by integrity, transparency, and sustainable value creation.

The board formally delegates the responsibility for our corporate citizenship strategy to the SESCom. This committee acts as the custodian of our four sustainability-related strategy pillars: Stakeholders, ESG, DEIB and CSR. In FY2026, the committee's mandate has evolved to address the emerging challenges of a digital world. We have elevated technology and AI ethics to a board-level oversight principle, ensuring that our digital transformation aligns with our ethical standards.

Effective governance requires a combined assurance approach to risk. The ARC works in close consultation with SESCom to ensure the integrity of our ESG disclosures and the efficacy of our internal controls.

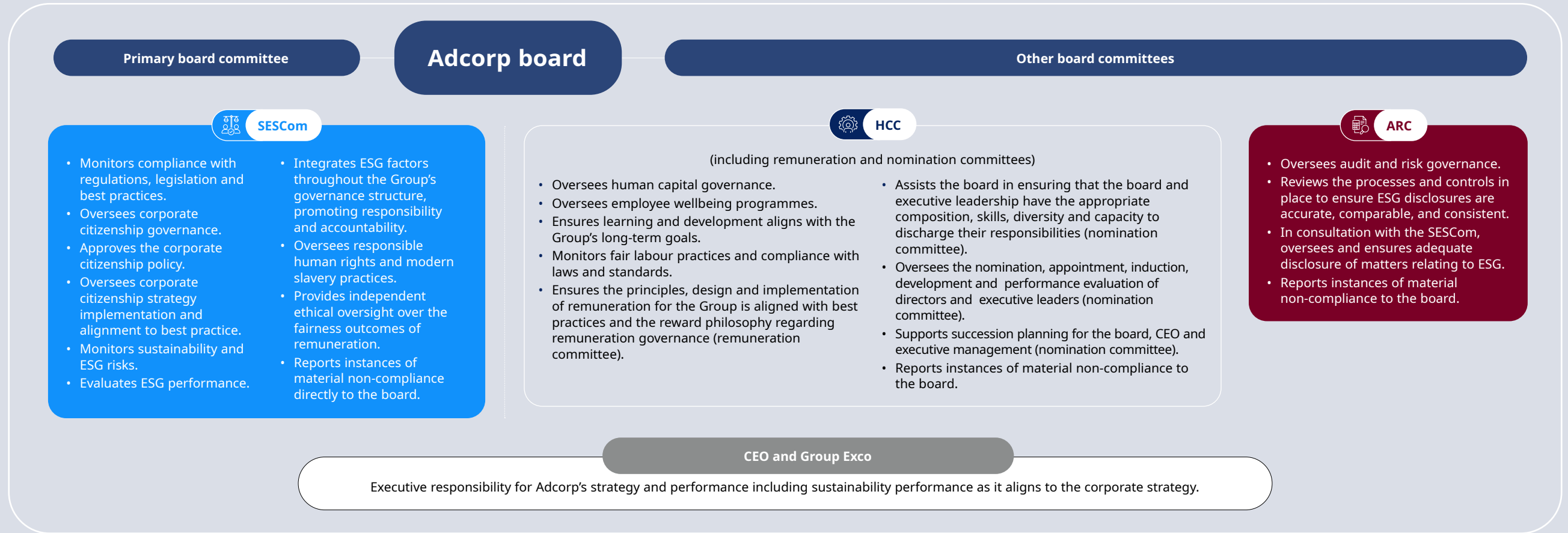
As our approach to ESG risk management matures, the Group has formally defined a low risk tolerance for this category within the enterprise risk framework. This confirms our zero-tolerance stance regarding modern slavery, human rights abuses, and ethical breaches.

We have fundamentally reshaped our executive oversight, formalising a Group governance function, led by a Chief Governance Officer (CGO). This brings together several centres of excellence:

- Corporate citizenship (traditional sustainability function) – leading our proactive ESG agenda
- Transformation
- Ethics, risks and compliance
- Company secretariat and investor relations – ensuring transparent stakeholder communication in line with JSE listing requirements



## Governance structure as it relates to corporate citizenship oversight



### Executive oversight and responsibility

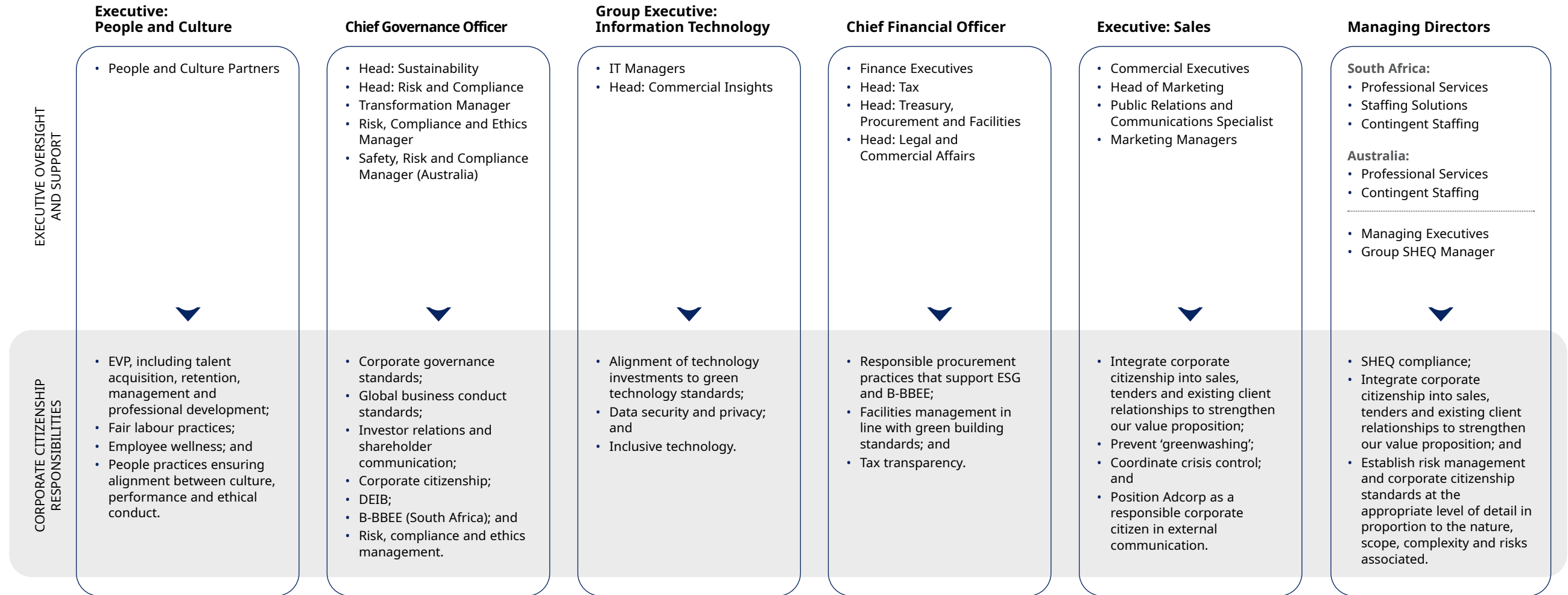
The CEO and Group Exco are responsible for executing corporate strategy and strategic performance, including corporate citizenship. The Head of Sustainability oversees the corporate citizenship function, managing ESG risks and opportunities, while the Transformation Manager leads employment equity, B-BBEE,

and transformation initiatives. All executives contribute by embedding corporate citizenship into their respective areas, such as aligning technology with green standards, integrating ESG into client engagement, and mitigating greenwashing risks. Further details on management roles and responsibilities are provided on the following page.



Foundational policies support governance, refer to **page 15 of this report** for more information on the corporate citizenship policies.

## Management roles and responsibilities



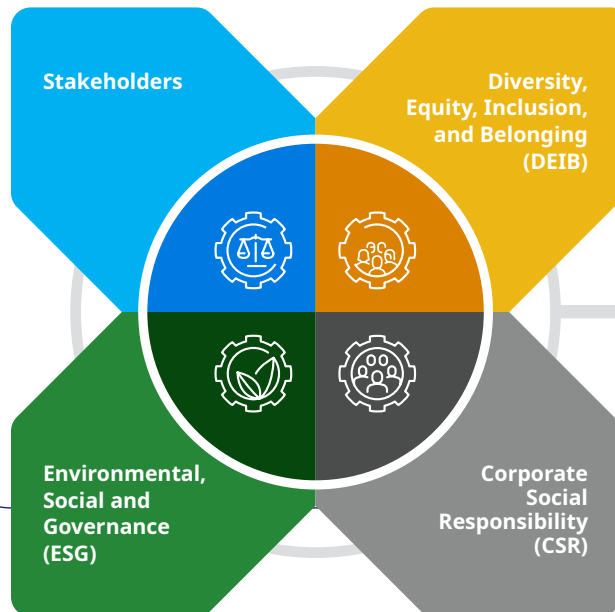
# Our corporate citizenship strategy

Corporate citizenship is Adcorp's sustainability strategy. Rooted in the principles of sustainability and ethical governance, the strategy aims to have a positive impact on society while ensuring the long-term success and sustainability of the business.

Corporate citizenship is explicitly linked to the Adcorp Horizon strategy, which marks a fundamental shift from being a traditional workforce solutions business to a technology-enabled workforce solutions organisation that is expanding into AME. In addition, linking double materiality to the corporate citizenship strategy reflects Adcorp's identity as a workforce solutions provider with a dominant focus on the social pillar of ESG.

## Corporate citizenship strategy

Our strategy focuses on four interconnected pillars:



### PILLAR 1 - STAKEHOLDERS

Building trusted relationships and strategic advocacy to manage reputation, understand stakeholder expectations and support long-term talent and client relationships.

### PILLAR 2 - ESG

Maintaining robust governance, risk and compliance frameworks that support ethical conduct, operational resilience, environmental responsibility and transparent reporting.

### PILLAR 3 - DEIB

Fostering an inclusive, high-performance culture that supports transformation, protects human rights and enables equitable employee practices.

### PILLAR 4 - CSR

Creating positive social and economic impact through education, skills development, enterprise development, community support and volunteerism.

These pillars support the execution of the Adcorp Horizon strategy by strengthening the Group's licence to operate, improving stakeholder trust, supporting workforce resilience and embedding responsible business practices into decision-making.

# ecovadis sustainability assessment

Our global benchmark for ESG excellence and client trust.

EcoVadis provides a comprehensive, third-party evaluation of our ESG performance. For Adcorp, this independent review is a critical differentiator, offering an objective benchmark that has become an explicit requirement for many of our key clients. This assessment affirms our reliability as a business partner and signals to investors that we are effectively managing long-term corporate citizenship risks.

EcoVadis is widely regarded as a premier platform for third-party ESG evaluation, providing a comprehensive lens through which a company's ESG performance is measured. It essentially keeps businesses honest through an independent review, providing an objective benchmark increasingly required by global clients.

By monitoring performance across four critical dimensions, it offers a 360-degree view of how effectively a company manages its corporate citizenship-related risks. This global benchmarking allows a business to stay focused on continuous improvement, signalling reliability to investors and reinforcing its social licence to operate in a competitive market.

## Strategic assessment themes

The EcoVadis evaluation monitors Adcorp's performance across four critical dimensions to ensure operational excellence:



## Global benchmarking and performance

As global sustainability standards rise, Adcorp remains focused on the continuous improvement of our internal processes to maintain a competitive ranking.

**FY2026 score: 57%**

## Recent enhancements and value proposition

The Group updates internal processes and expands policies to drive transparency and ensure all partners operate at our high standards. These enhancements provide our clients and investors with a secure, ethical and highly visible value chain:

- **Labour, human rights, and modern slavery:** We have published comprehensive statements and updated our supplier code of conduct to include strict ESG requirements.
- **Contractual safeguards:** We have finalised modern slavery contract clauses that are now being incorporated into all new and renewing client contracts.
- **Transparency:** We launched our ESG supply chain due diligence to enhance visibility across the value chain, requiring suppliers to pledge to operate responsibly and comply with the supplier code of conduct.



## Next steps on our corporate citizenship journey

Our immediate priority is to define and introduce specific corporate citizenship-related targets to further drive our maturity pathway. By setting these measurable goals, we continue to strengthen our social licence to operate and provide our clients with the assurance of a partner committed to long-term sustainable impact.



# 1 STAKEHOLDERS

## Stakeholder metrics



### South Africa

Client satisfaction index

**83%** (operational)  
2025: 83%

Employee engagement score

**67%**  
2025: 63%



### Australia

Client satisfaction index

**88%** (operational)  
2025: 91%

Employee engagement score

**67%**  
2025: 67%

## Stakeholder engagement

As Adcorp implements the new Adcorp Horizon strategy, we recognised the critical need to revise our stakeholder strategy to directly align with this new direction. Under Adcorp Horizon, our strategic objective for this pillar is to cultivate trusted relationships and strategic advocacy to proactively manage our reputation and mitigate long-term talent risks.

To manage these relationships effectively, we have centralised stakeholder registers to support our decentralised engagement model. This approach ‘cuts the red tape’, allowing the person closest to the relationship to own it, while providing the structured space for teams to reflect and contribute to the Group’s centralised data. These registers are analysed to identify emerging trends and address concerns before they escalate. During FY2026, we transitioned from divisional-level to brand-level registers to allow for greater granularity. This ensures that the specific needs and risks of our smaller brands are addressed accurately, with strategic support from the Group corporate citizenship team.

## Our stakeholders

Adcorp has transitioned from its traditional hierarchy of grouping stakeholders into ‘primary, secondary, and tertiary’ tiers, shifting instead to a functional categorisation model.

This change addresses the dynamic nature of modern ESG risks, where a stakeholder previously considered ‘tertiary’ or immaterial could become a ‘primary’ or ‘critical’ stakeholder overnight due to a specific issue or event. By categorising stakeholders based on the function of their relationship with the Group, Adcorp ensures more practical and responsive oversight.

The new functional categorisation model defines four key stakeholder groups:

### Capital providers

Stakeholders supplying financial resources (equity, loans, or funding).

*Key examples: Shareholders, investors, banks, and lenders.*

### Value chain and society

Entities integral to business execution or those directly impacted by our operations.

*Key examples: Clients, suppliers, employees, and local communities.*

### Licence and legitimacy

Entities with authority to grant, restrict, or revoke our legal or social licence to operate.

*Key examples: Media, regulators, JSE, professional councils, trade unions, and industry bodies.*

### Assurance providers

Stakeholders providing independent oversight, risk transfer, or protection.

*Key examples: Internal and external auditors, insurers, rating agencies, and certification bodies.*



# Mutually beneficial relationships

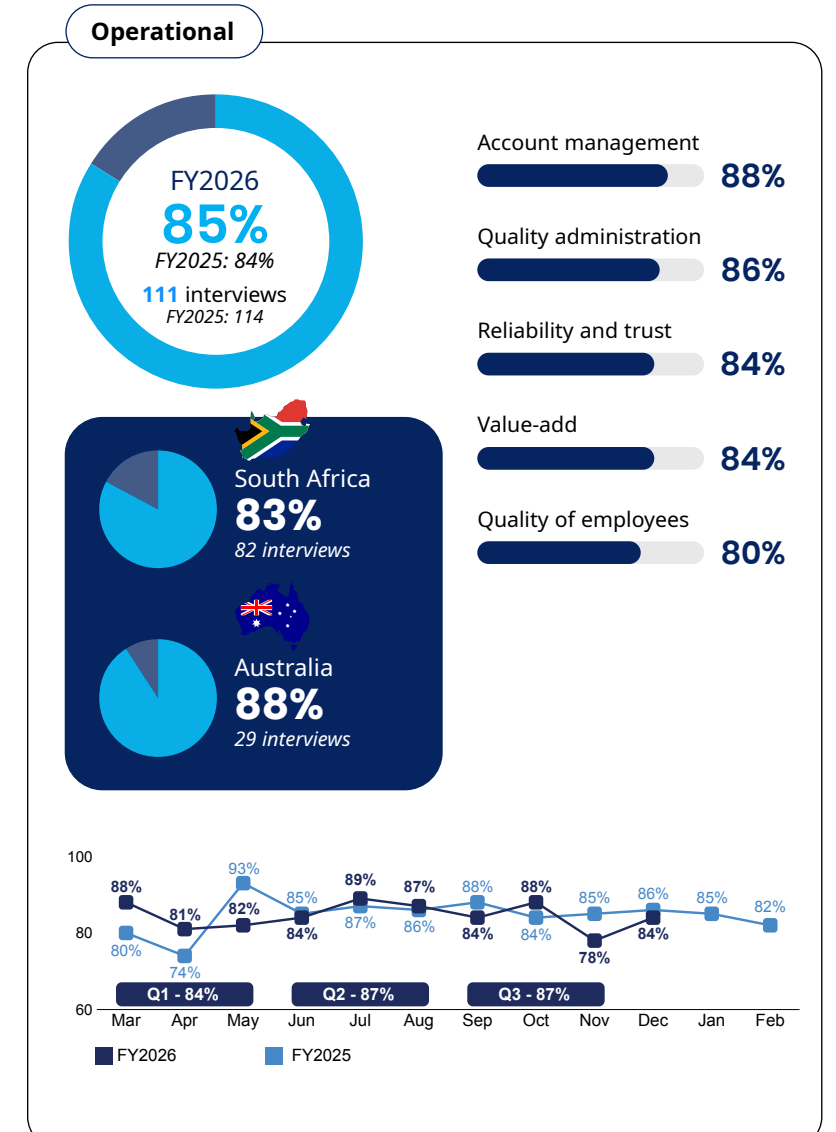
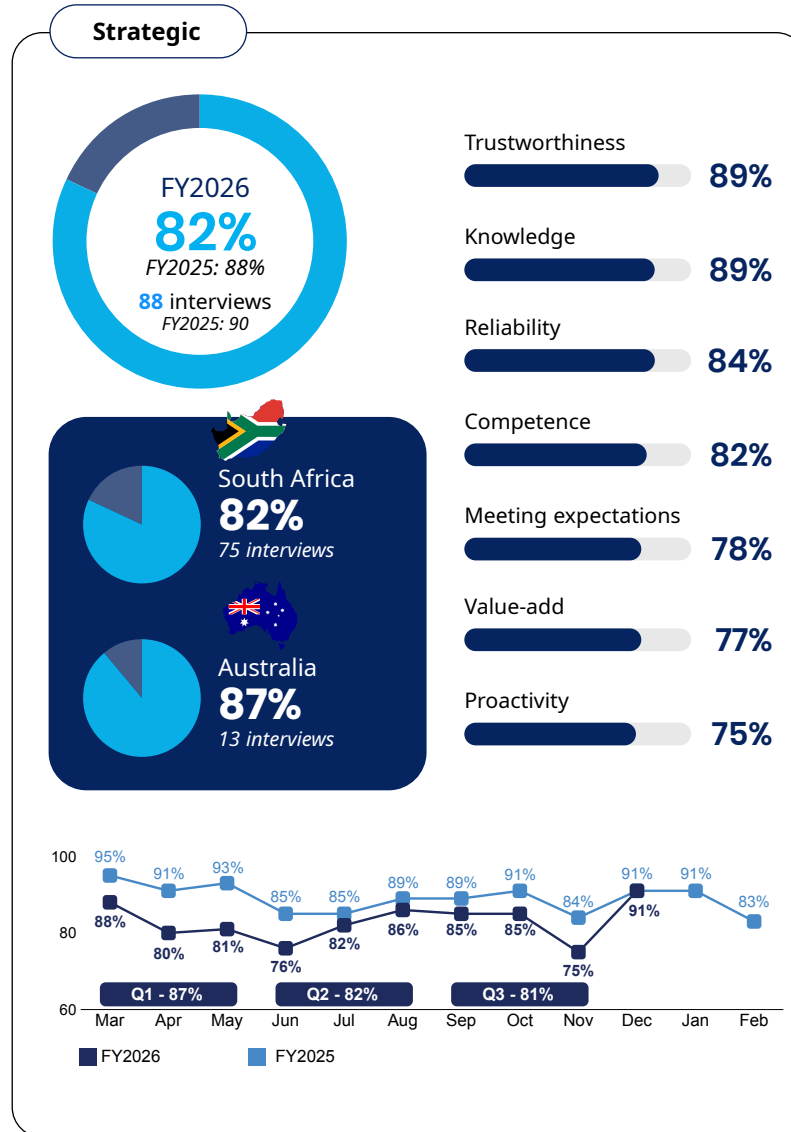
The Group cultivates relationships that deliver shared value for both the Company and our stakeholders. We prioritise open, transparent, and proactive communication through various channels, including our website, formal presentations, media engagements, and a mix of structured and informal dialogues. We have enhanced our direct, in-person interactions with key stakeholders, including employees, and clients to strengthen trust and strategic alignment.

To support meaningful engagement, stakeholders are assigned a dedicated relationship manager. These individuals maintain frequent and direct contact, ensuring that relationships are managed in alignment with our overarching purpose, five core values, and organisational culture. The Group engages with stakeholders meaningfully, tailoring interaction frequency to ensure mutual benefit and sustained value creation.

## Client satisfaction index

Understanding how our clients experience our services is central to how we manage and improve our business. We commission an independent research firm to conduct detailed telephone interviews with clients across all divisions. This qualitative approach prioritises depth over volume, by ensuring it uncovers the reasoning behind client sentiment and highlights what matters most in their decision to partner with us. The findings directly inform service improvement plans and help us identify where we can strengthen relationships and enhance our market position.

In FY2026, our overall operational satisfaction improved to 85% (FY2025: 84%), driven by strong performance in account management and quality administration. Our overall strategic satisfaction was 82% (FY2025: 88%), with clients continuing to rate Adcorp highly for trustworthiness and knowledge. The surveys also highlighted opportunities to improve our proactivity and value-add, insights that are vital as we accelerate towards providing tech-enabled, outcome-based solutions under our new Adcorp Horizon strategy.





## Employee engagement

We run annual engagement surveys across both South Africa and Australia to take the pulse of our workforce. More than a measurement exercise, these surveys give our leadership teams clear insights into what is working and where we need to do better. Each business unit develops specific action plans in response to the results, working directly with their teams to address the issues raised.

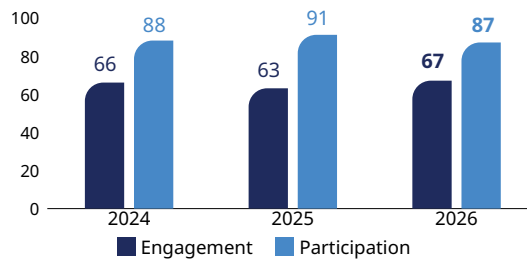
The survey insights also shape broader people initiatives, including the ongoing development of our employee value proposition, which aims to make the full value of working at Adcorp visible and compelling. By listening to our employees and acting on what they tell us, we strengthen both our culture and our ability to attract and keep the right people.

### South Africa

Our annual employee engagement survey in South Africa showed a slight decrease in the participation rate to 87%, but we are pleased to see an overall increase in the engagement score from 63% to 67%.

#### Permanent employees engagement scores

	FY2026	FY2025	FY2024
Engagement score	67	63	66
Participation rate	87	91	88

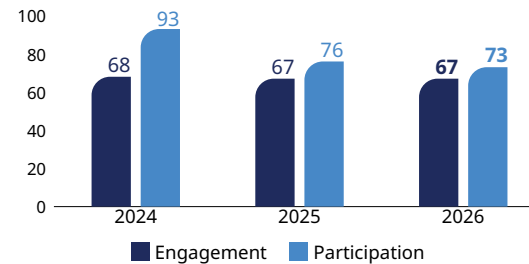


### Australia

Our employee engagement survey in Australia achieved a 67% engagement score, successfully maintaining the prior period's healthy performance level despite a slight decrease in the participation rate to 73%.

#### Permanent employees engagement scores

	FY2026	FY2025	FY2024
Engagement score	67	67	68
Participation rate	73	76	93



## Supplier engagement

In FY2026, Adcorp officially launched its annual supplier ESG due diligence process in January 2026 to ensure the downstream value chain aligns with the Group's and clients' high standards. Following the initial pilot, the company streamlined the assessment questions to create a shorter survey, and as a result the questionnaire was significantly reduced from nearly 100 questions last year down to 47 targeted questions. The assessment now specifically targets key suppliers listed on the stakeholder registers, as well as those with an annual spend exceeding R1 million in South Africa or AU\$100 000 in Australia.

Adcorp is already seeing a measurable increase in the participation rate following the introduction of the streamlined survey.

### Preliminary insights into our supply chain

This is an ongoing journey, and we will focus on closing participation gaps throughout FY2027. However, at the time of publishing this report, we recorded a 45,5% (FY2025: 43,4%) participation rate in South Africa and 24% (FY2025: 6,7%) in Australia.

Out of the 72 (FY2025: 35) suppliers that participated across both geographies, we identified zero incidents of fatalities, human rights violations, or modern slavery abuses within our supply chain. A significant

number of our suppliers are actively engaged in energy efficiency programmes and carbon footprint management. Pleasingly, most respondents have fair labour policies in place, supported by formal grievance mechanisms. Furthermore, 100% of participating suppliers have taken the Adcorp supplier pledge.

We commit to upholding the highest ethical and sustainable business practices and pledge to:

- Conduct our business with integrity;
- Respect human rights;
- Prevent modern slavery;
- Promote fair labour practices;
- Comply with all applicable laws and regulations; and
- Protect the environment.

We undertake to notify Adcorp Group in writing if we become aware of any actual or suspected breach of these commitments, to cooperate fully in any related investigation, and to implement the required remedial actions. We acknowledge that any breach of this pledge constitutes a material breach of our agreement with Adcorp Group and its subsidiary brands and may result in immediate termination of the agreement without liability.



## Supplier code of conduct

During the year, the Group-wide supplier code of conduct was updated. It establishes clear, best practice requirements for all suppliers to adhere to when doing business with Adcorp, across all geographies. The code explicitly enforces ESG requirements, covering anti-bribery and corruption, human rights and modern slavery, fair labour practices, health and safety, and environmental management. As part of the supplier ESG due diligence process, suppliers are now required to sign a formal pledge committing to these ethical and sustainable business practices.

### Podcast training for suppliers

To support responsible sourcing and sustainable supply chains, Adcorp offers digitally available and on-demand podcasts to supplement traditional voluntary awareness workshops for suppliers.



Listen here:  
[https://www.youtube.com/watch?v=XHW\\_JdbqTHM](https://www.youtube.com/watch?v=XHW_JdbqTHM)



# Respecting human rights

In FY2026, we significantly strengthened our governance frameworks relating to human rights and modern slavery to align with evolving global standards and client expectations.

We enhanced our human rights statement from a brief, generic, principle-based document used in previous years, the revised statement now features specific, enforceable clauses. Most notably, it introduces explicit prohibitions against child labour and establishes new commitments to respect land and water rights, including a pledge not to contribute to forced evictions or the dispossession of cultural heritage and land from Indigenous peoples and minorities. These enhanced protections respond directly to the strict requirements of our clients, human rights standards and are now enforced across our supply chain.

## Five pillars of our human and labour rights approach

Respect for human rights	Employee rights and dignified work	Due diligence	Stakeholder engagement	Reporting and monitoring
We maintain zero-tolerance for discrimination, harassment, or any form of human rights abuse across our operations and supply chain, regardless of an individual's race, sexuality, nationality, religion, or other personal characteristic.	We are committed to providing work environments free from intimidation and discrimination, with fair remuneration, transparent employment conditions, and genuine opportunities for career growth and development.	We actively identify, prevent, and mitigate human rights risks across our value chain. By assessing risk levels across various industries and geographies, we ensure appropriate action is taken whenever our standards are not met.	We engage with clients, suppliers, trade unions, and communities to promote respect for human rights and to understand the perspectives and concerns of those affected by our operations.	We encourage individuals and stakeholders to report potential human rights violations through our independently managed whistleblower channels. We monitor our operations on an ongoing basis to ensure we are meeting our commitments.

## Modern slavery

Alongside our broader human rights initiatives, the Adcorp Holdings Limited and Adcorp Holdings Australia boards have approved the updated Group-wide modern slavery statement. This document reflects our ongoing compliance and risk mitigation over the financial year. In accordance with the Australian Modern Slavery Act 2018, this FY2026 statement has been submitted for publication on the Australian government's online register for modern slavery statements.

To ensure our zero-tolerance policies are actively embedded within the Group's culture, we rolled out targeted modern slavery awareness training and digital e-learning modules. These initiatives were provided to our leadership teams, HR personnel, and permanent employees across all jurisdictions.

**i** For detailed reporting on these training initiatives, please refer to the DEIB chapter on **page 43 of this report.**


**Independent anonymous, Deloitte managed, Adcorp Group Ethics Line:**  
**Free call:** 0800 22 32 11  
**Website:** <http://tip-offs.com>  
**Email:** [advalue@tip-offs.com](mailto:advalue@tip-offs.com)

## Our commitments:

- **Protection of vulnerable groups**, particularly migrant workers, women, and children, through cultural integration programmes and the provision of dignified living and working conditions.
- **Independent reporting mechanisms**, our whistleblower hotline, managed by Deloitte, enables employees and stakeholders to report concerns confidentially and without fear of retaliation.
- **Transparency and accountability**, reinforced through regular policy reviews, supplier engagement, and the public sharing of our modern slavery statement.

## Eight types of modern slavery to look out for

- 1 Forced labour
- 2 Forced marriage
- 3 Trafficking in persons
- 4 Slavery
- 5 Servitude
- 6 Debt bondage
- 7 Deceptive recruiting for labour or services
- 8 Worst forms of child labour

 Our full human rights statement and modern slavery statement are available at [www.adcorpgroup.com/about/corporate-citizenship](http://www.adcorpgroup.com/about/corporate-citizenship).



# Responsible lobbying and public influence

Partnering with organised business through industry memberships is a core component of Adcorp’s commitment to being a responsible corporate citizen, enabling the Group to play an active role in moving society forward. By participating in these forums, Adcorp gathers valuable stakeholder insights, monitors legislative changes, and collaborates on joint initiatives to advocate for industry standards and best practices.

This proactive approach to policy-making and public influence has driven notable advocacy successes over the past year. In South Africa, Adcorp partnered with the Confederation of Associations in the Private Employment Sector (CAPES) to submit formal comments and valuable feedback to the Department of Employment and Labour regarding proposed B-BBEE amendments.

Furthermore, in Australia, the Group’s BLU brand leadership engaged directly with the Australian Parliament to actively advocate for improvements to the PALM scheme.



## Industry memberships



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)

Steel and Engineering Industries Federation of Southern Africa (SEIFSA)



Association of Professional Staffing Companies in Australia (APSCO)

Australian Industry Group (AIG)

Australian Network on Disability (AND)

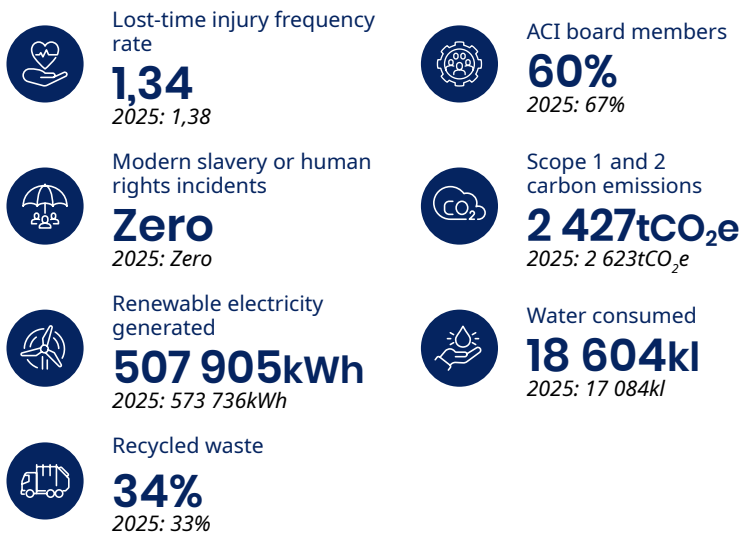
Females in Information Technology (FIT)

Recruitment, Consulting and Staffing Association (RCSA)



# 2 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

## ESG metrics



The Adcorp Horizon strategy is anchored in deploying and managing large-scale workforces within highly regulated, compliance-heavy environments. As Adcorp expands internationally into regions like the Middle East and Africa, the complexity of regulatory and operational risks will increase significantly. The ESG pillar serves as the foundational 'Group governance, risk, and compliance infrastructure' required to execute this expansion according to best practices.

By maintaining rigorous ethical standards, ensuring transparent reporting, and proactively managing risks, the ESG pillar protects Adcorp's economic integrity and social licence to operate, ensuring controls are not diluted as the system scales. Additionally, as the Group embeds AI at the core of its decision-making via Project Raptor, robust ESG frameworks are essential to ensure data integrity and ethical technology enablement.

## Environment and climate change

### Just Transition

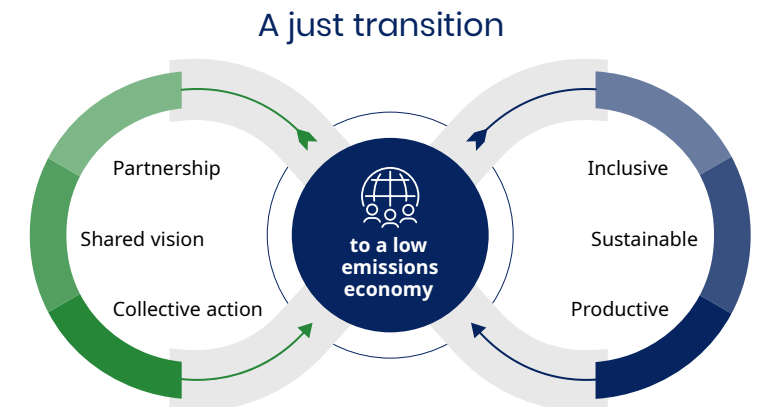
As a leading workforce solutions provider, Adcorp is committed to playing its part in the Just Transition. A Just Transition refers to a shift away from carbon-intensive industries to a low-carbon economy in a way that is fair and inclusive for all affected communities and workers. Our approach is heavily focused on skills development, ensuring that people are brought along and supported as the economy transitions to a greener, cleaner environment. Through targeted upskilling and reskilling programmes, we actively prepare workers for emerging green industries while maintaining a strong focus on worker wellbeing and social inclusion.

Furthermore, we acknowledge the growing global and industry focus on biodiversity, recognising that climate change and biodiversity are intrinsically linked. However, because Adcorp is predominantly an office-based organisation operating within established urban areas, our direct impact on biodiversity is minimal; we are not constructing new developments or upending nature. While our direct footprint is low, we remain mindful of biodiversity impacts within our value chain, our operational workforce supports our clients by operating according to their on-site standards and policies. In alignment with the UNGC, the Group applies the precautionary principle to environmental management, proactively minimising our footprint and ensuring that a lack of full scientific certainty is never used as a reason for postponing cost-effective measures to prevent environmental degradation.

### Adcorp drives sustainable consumption by:

- **Minimising business travel:** Adcorp seeks to minimise business travel to cut down on fuel consumption and reduce Scope 3 carbon emissions. While the South African professional services division has returned to the office full-time to improve collaboration and business performance, hybrid working remains highly relevant for roles that allow for it, operating on a model of three days in the office and two days working remotely.
- **Employee education and awareness:** We drive awareness among our employees through targeted environmental education. In FY2026, dedicated environmental stewardship awareness sessions were held for our facilities team and branch managers to ensure they understand the strategic importance of our environmental data collection and the critical necessity of data integrity.
- **Renewable energy use:** We continue to reduce our Scope 2 carbon emissions by supplementing our grid electricity with renewable energy generated by the solar PV panels at our Adcorp Place head office.
- **Water conservation:** Adcorp remains committed to responsible water consumption across our offices. We actively utilise a rainwater harvesting system for garden irrigation at Adcorp Place, which has benefited from increased rainfall over the past few months, reducing our reliance on the municipal water supply.
- **Minimising waste:** We prioritise waste prevention, reduction, and recycling across our operations. In FY2026, we improved our recycling rate at Adcorp Place to 34% (FY2025: 33%) and are actively exploring improved waste separation initiatives with facilities management to further reduce landfill waste.

- **Enhancing supply chain transparency:** We are increasing visibility into the ESG and environmental practices of our value chain. In FY2026, we launched our annual supplier ESG due diligence survey to key suppliers to formally assess upstream ESG risks and promote environmental accountability.
- **Conserving resources:** We efficiently manage natural resources to ensure long-term availability while actively raising awareness of sustainable development and lifestyles that support environmental stewardship.





## Climate change and carbon footprint

Adcorp continues to use FY2023 as its baseline year, following historical improvements in data completeness and measurement accuracy. In FY2026, we further refined our carbon footprint monitoring to ensure comprehensive environmental accountability; this included explicitly incorporating our Australian pooled vehicles into our Scope 1 mobile emissions and separating the electricity consumed by our new tenants at Adcorp Place into our Scope 3 emissions.

Encouragingly, despite these broader inclusions, our total carbon footprint (Scope 1, 2, and 3) decreased from 3 423tCO<sub>2</sub>e in FY2025 to 3 365tCO<sub>2</sub>e in FY2026.

Our emissions reduction targets will be developed collaboratively with the landlord of the leased premises we occupy at Adcorp Place to ensure aligned environmental objectives. As part of this partnership approach, we are currently investigating an electricity and water metering project that will require landlord approval. This project is expected to progress once our new tenants are settled, and we are actively exploring options to reduce our peak demand charge to help fund this initiative.

We maintain full compliance with carbon tax regulations across our operations. In South Africa, our combined diesel generator capacity remains below the regulated 10MWth threshold, requiring no additional carbon tax beyond the standard fuel levy. Similarly, our Australian operations, given their scale and nature, fall outside the large emitters category and are not directly subject to carbon emission regulations or incentives.



## Our carbon footprint

Tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e)	FY2026	FY2025	FY2024	FY2023
<b>Total Scope 1 emissions</b>	<b>165,09</b>	114,20	301,91	203,52
Stationary fuel used in generators	30,38	16,70	246,15	201,00
Mobile emissions from shuttle transfers	134,70	97,49	55,76	2,52
Fugitive emissions from air conditioning and refrigeration gas refills	-	-	-	-
On-site renewable energy generation	-	-	-	-
<b>Total Scope 2 emissions</b>	<b>2 262,10</b>	2 508,43	2 433,28	2 106,94
Purchased electricity at Adcorp Place (head office)	1 613,98	1 745,38	1 303,02	1 280,14
Purchased electricity in leased and occupied branches – South Africa	597,59	705,51	1 071,67	765,79
Purchased electricity in leased and occupied branches – Australia	50,52	57,54	58,60	61,00
<b>Total Scope 3 emissions</b>	<b>938,25</b>	800,66	768,89	1 359,07
Business travel in commercial airlines	515,87	497,72	291,89	742,05
Business travel in rental cars and transfers	13,64	7,68	8,71	8,61
Hotel accommodation	62,61	89,79	55,55	81,56
Employee travel claims and allowances	35,85	35,92	34,58	73,79
Paper consumption	31,72	34,03	26,01	19,45
Waste to landfill	4,52	4,11	10,17	6,77
Recycled waste	0,02	0,03	0,12	0,13
Electricity consumed by our tenants	274,02	131,37	341,87	426,71
<b>Total Scope 1 and 2</b>	<b>2 427,19</b>	2 622,62	2 735,20	2 310,45
<b>Total Scope 1, 2 and 3</b>	<b>3 365,44</b>	3 423,29	3 504,09	3 669,52

Note: Historical Scope 3 emissions figures for business travel and paper consumption have been restated for FY2025 and FY2024 following improved data completeness in the latest ESG validation cycle. The impact of these restatements is not material to total Scope 3 emissions for either year.

### 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



## Carbon offsetting – paper consumption

We partner with our print solutions vendor to offset the carbon footprint of our paper consumption and printing services using Verra carbon credits.

Paper carbon offsets	FY2026	FY2025	FY2024
Consumed (kg)	24 616,08	26 528,73	29 965,74
Scope 2 electricity portion offset (kgCO <sub>2</sub> e)	6 228	6 712	7 582
Scope 3 paper consumed offset (kgCO <sub>2</sub> e)	65 311	70 386	79 505

## Energy management and consumption

During FY2026, the Group successfully reduced its total electricity consumption to 2 679 301kWh, down from 3 044 866kWh in FY2025. While our Australian facilities rely exclusively on the national power grid, our South African operations maintain a resilient energy mix, incorporating grid electricity, solar power, and diesel generation, to mitigate the risks of power instability.

## Renewable energy and efficiency

Our primary sustainability landmark remains the 404kWp solar PV installation at Adcorp Place. Equipped with over 500 panels covering 90% of usable roof space, this system provided 25% of the building's electricity needs during the reporting period. This performance resulted in carbon savings of 549tCO<sub>2</sub>e, down from 597tCO<sub>2</sub>e in FY2025, due to an increase in poor weather conditions. Operational efficiency at this site is further bolstered by a building management system and a water-cooled HVAC system.

## Grid dependence and environmental impact

The Company remains largely dependent on national power grids, though the environmental implications differ by region. South Africa's grid is heavily reliant on fossil fuels, whereas the Australian grid includes a higher percentage of renewable energy. This regional disparity continues to shape our carbon emission profile.

While South Africa saw a broad reduction in load shedding during FY2026, intermittent outages still required the use of diesel generators to ensure business continuity. As a result, diesel consumption reached 11 416 litres (up from 6 276 litres in FY2025), which generated approximately 42 154kWh (FY2025: 23 174kWh) of backup power. This represents only 2% of the Group's total electricity consumption and remains significantly lower than historical peaks.

## Future outlook

We remain focused on identifying innovative ways to reduce our carbon footprint. Current investigations include a sub-metering project for Adcorp Place, which requires close coordination and approval from our landlords to further enhance our energy-saving capabilities.

## Diesel consumption

Litres (l), consumed in stationary generators	FY2026	FY2025	FY2024	FY2023
Adcorp Place (head office)	6 416	6 076	91 054	71 991
South African branches	5 000	200	1 484	2 514
<b>Total</b>	<b>11 416</b>	<b>6 276</b>	<b>92 538</b>	<b>74 505</b>

Note: 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	FY2026	FY2025	FY2024	FY2023
Adcorp Place (head office)	1 494 429	1 678 245	1 303 016	1 230 906
South African branches	553 328	678 375	1 071 670	736 340
Australian branches	81 484	91 336	90 150	90 150
<b>Total</b>	<b>2 129 241</b>	<b>2 447 956</b>	<b>2 464 836</b>	<b>2 057 396</b>
Adcorp Place (tenants)	253 719	126 320	341 872	410 302

## Renewable electricity consumption – Solar PV

Adcorp Place (head office)	FY2026	FY2025	FY2024	FY2023
Actual yield (kWh)	507 905	573 736	610 822	537 855
Estimated Rand savings	R1 117 995	R1 256 300	R943 646	R572 392
Estimated tCO <sub>2</sub> e savings	549	597	609	559

## Total electricity consumption

Grid, renewable and diesel electricity	FY2026	FY2025	FY2024	FY2023
Total kilowatt hours (kWh)	2 679 301	3 044 866	3 417 355	2 870 361
Total portfolio electricity from renewables	19%	19%	20%	21%
Electricity generated from diesel generators (kWh)	42 154	23 174	341 697	275 110
Electricity from diesel generators – portfolio	2%	1%	10%	10%

Note: To convert kilowatt hours (kWh) to gigajoules (GJ), multiply by 0,0036.



## Water management

During FY2026, our total water consumption, encompassing both portfolio and tenant usage, increased to 20 579kl, compared to 17 890kl in FY2025. Within this total, Group operations accounted for 18 604kl (FY2025: 17 084kl), while tenant consumption at Adcorp Place rose to 1 975kl (FY2025: 806kl). This growth in tenant usage is directly attributable to higher building occupancy levels throughout the financial year.

### Water security and harvesting

To ensure operational continuity and enhance sustainability, Adcorp Place maintains a 40kl municipal water backup tank, providing the building with a full day of water security. Furthermore, we actively prioritise the use of our rainwater harvesting system, which features a 400kl catchment area adjacent to the building. This harvested water is dedicated to garden irrigation and aided by higher rainfall in recent months, has effectively reduced our reliance on the municipal supply.

Beyond sustainability and operational resilience, these water management systems provide critical health and safety benefits. By maintaining a reliable supply of fresh, clean water, we ensure a hygienic working environment and support the overall wellbeing of our employees and visitors. This proactive approach to water security is a cornerstone of our commitment to providing a safe, healthy, and high-quality work environment.

### Water consumption

Kilolitres (kl)	FY2026	FY2025	FY2024 <sup>1</sup>	FY2023
Adcorp Place (head office)	11 575	10 714	17 591	8 717
South African branches	5 847	5 033	5 797	7 169
Australian branches <sup>2</sup>	1 182	1 337	1 332	1 332
<b>Total</b>	<b>18 604</b>	<b>17 084</b>	24 720	17 218
Adcorp Place (tenants)	1 975	806	5 027	2 906

1. FY2024 Adcorp Place experienced a water leak.

2. Australian water consumption is estimated as our landlords do not measure consumption and charge a fixed rate.

## Waste management

The Group remains dedicated to reducing its environmental footprint through a systematic and sustainable approach to waste management. At Adcorp Place, we maintain a comprehensive waste management system featuring designated recycling bins to facilitate the effective separation of recyclable and non-recyclable materials. Through our partnership with a specialised waste management provider, all waste undergoes on-site sorting and weighing before being processed for recycling.

### Recycling performance and highlights

While our waste stream consists of non-hazardous office materials, we achieved a recycling rate of 34% at Adcorp Place in FY2026 (up from 33% in FY2025), supported by our paper recycling efforts.

During the reporting period, we successfully implemented several new initiatives across the Group:

- **Australia:** We launched a certified e-waste recycling programme to ensure all electronic waste is reused or recycled, with zero waste sent to landfill. During the period, a total of 0,2317 tonnes of legacy IT equipment was successfully recycled.
- **South Africa:** We introduced carbon offsetting for our paper usage to further mitigate our environmental impact.

A planned initiative to further improve waste separation at Adcorp Place was temporarily postponed as facilities management prioritised the onboarding of new tenants during the financial year.

Looking ahead, our strategy remains focused on improving waste sorting at Adcorp Place to reduce landfill contamination. Our immediate priorities include the deployment of additional bins and the launch of targeted educational campaigns for employees and tenants to drive a culture of environmental responsibility.

### Waste management

Adcorp Place – tonnes <sup>1</sup>	FY2026	FY2025	FY2024	FY2023
Waste to landfill	8,68	7,91	19,54	14,50
Recycled waste	4,51	3,93	5,41	6,20
Percentage recycled	34%	33%	22%	30%
– Cans	0,13	0,21	0,39	0,23
– Cardboard and paper	3,51	3,12	4,03	4,72
– Plastic	0,59	0,59	0,99	1,03
– Tetrapak	0,29	0,02	0,00	0,22

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



# Social – our employees

In this section, we centre our attention on our workforce while noting that conversations around DEIB will follow later in Pillar 4 (see **i** page 43).

Similarly, we will address our broader CSR initiatives and commitments in Pillar 4 (see **i** page 51). This approach allows us to spotlight our people strategy and delve deeper into the critical, interrelated topics in the respective chapters.

Adcorp manages a broad and dynamic workforce across our operations in South Africa and Australia. To ensure operational clarity and effective oversight, we maintain a dual-pillar structure that encompasses internal permanent employees as well as our operational workforce. The first pillar consists of internal permanent employees who provide core management and strategic support for the Company. The second pillar, defined as operational employees, includes individuals performing work directly at client sites. Within this category, we distinguish between deployed employees, who are our permanent employees dedicated to a specific client scope of work, and our contingent workforce, which provides flexible support across various industries through seasonal or fixed-term arrangements. This structured approach ensures that every individual within the Group is managed in alignment with our broader strategic objectives.

## Our workforce consists of the following:

### Internal workforce

#### Permanent employees

Employed directly by Adcorp and its subsidiaries, including employees on fixed-term contracts. Their output is for Adcorp itself.

### Operational workforce

#### Deployed employees

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.

#### Contingent employees

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.

#### Independent contractors

Professionals providing services and solutions on a time and materials basis to our clients.

Note: 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 in the cost of sales.

## Total workforce



### South African workforce

Permanent employees

**1 603** ▲

2025: 1 575

Deployed employees

**10 491** ▲

2025: 8 686

Contingent employees

**32 804** ▲

2025: 30 688

Independent contractors

**706** ▼

2025: 921



### Australian workforce

Permanent employees

**133** ▼

2025: 153

Independent contractors

**1 156** ▲

2025: 1 178

Contingent employees

**1 608** ▼

2025: 2 361

**i** For detailed employee demographics refer to **page 45** of this report.



### Workforce numbers by division

South Africa (internal permanent employees)	FY2026	FY2025	FY2024
Contingent staffing	640	531	551
Professional services	167	266	344
Staffing solutions	694	675	582
Business support	102	103	105
<b>Total</b>	<b>1 603</b>	<b>1 575</b>	<b>1 582</b>

South Africa (operational workforce - deployed, contingent and independent contractors)	FY2026	FY2025	FY2024
Contingent staffing	32 804	30 688	30 653
Professional services	706	921	1 439
Staffing solutions	10 491	8 686	8 771
<b>Total</b>	<b>44 001</b>	<b>40 295</b>	<b>40 863</b>

Australia (internal permanent employees)	FY2026	FY2025	FY2024
Contingent staffing	51	62	66
Professional services	74	86	102
Business support	8	5	3
<b>Total</b>	<b>133</b>	<b>153</b>	<b>171</b>

Australia (operational workforce - contingent and independent contractors)	FY2026	FY2025	FY2024
Contingent staffing	1 608	2 361	2 151
Professional services	1 156	1 178	1 276
<b>Total</b>	<b>2 764</b>	<b>3 539</b>	<b>3 427</b>



## Our safety, health, environment and quality commitment

The Group SHEQ portfolio oversees health and safety compliance across our global operations, including client sites and technical infrastructure. Comprehensive SHEQ policies are effectively communicated to all employees, ensuring consistent implementation throughout the organisation.

We align with industry best practices to deliver exceptional value to our clients. Our approach remains focused on preventing severe incidents by managing critical risk control programmes for fatal hazard management. In FY2026, we proudly recorded zero fatalities across the Group. This significant milestone was achieved through improved safety processes, increased governance oversight, and proactive risk management.

### Leveraging technology for risk management

We prioritise strengthening injury and illness prevention measures, coupled with enhanced reporting and investigation processes that foster learning and continuous improvement. To support this, we have leveraged technology to improve our proactive risk management:



## South Africa

Adcorp's safety app (ADSafe) gamifies critical risk controls via a custom Power BI platform to improve usage and has successfully driven an increase in safety verifications and hazard observations.



## Australia

Our DoneSafe software application continues to centralise and improve safety, risk management reporting, and compliance visibility.



Contact with falling objects



Crushed in moving machinery



Fall from height



Vehicle impact



Critical risk controls



Audits



Planned task observations



Incidents



Health and safety representatives



Risk assessments

## Safety training and performance

Our drive toward a zero-incident workplace is anchored in a comprehensive internal safety training programme. In FY2026, the Group provided specialised SHEQ training interventions to 4 419 employees in addition to mandatory safety training provided by our clients to our operational employees. Key highlights from this period include:

- **Certifications:** Four individuals were certified in first aid, and two fire marshals were qualified.
- **Appointments:** Four safety representatives were officially appointed.
- **Toolbox safety talks:** These essential briefings reached 3 153 individuals in South Africa and 1 256 in Australia.





### Strategic SHEQ focus areas

Adcorp continues to meet stringent client safety requirements and maintain regulatory compliance across all operations. Our commitment to safeguarding our people, communities, and environments emphasises:

- Critical risk control programmes for fatal hazard prevention.
- Enhanced injury and illness prevention protocols.
- Advanced incident reporting and investigation procedures.
- Responsive client safety requirement management.
- Full regulatory compliance.
- Increased on-site quality engagement.
- Environmental stewardship.

### Integrated management systems and ISO standards

Adcorp's integrated SHEQ management system aligns with internationally recognised standards, including ISO 9001, ISO 45001, and ISO 14001. These credentials reflect our commitment to comprehensive operational excellence:

- **ISO 9001** drives service quality and efficiency.
- **ISO 45001** fortifies workplace safety and risk management.
- **ISO 14001** guides our environmental sustainability initiatives.

During FY2026, BLU Australia successfully achieved recertification of its ISO standards, while Paxus secured ISO 9001 certification for the first time.

**paxus** Holds ISO 9001 certification.

**BLU.** Holds ISO 9001, ISO 14001, and ISO 45001 certifications.

By investing in continuous education, we reinforce our commitment to secure working environments while supporting regulatory compliance and operational excellence. This proactive stance on training is vital to our vision of protecting and empowering every individual who works for and with the Company.

### Health and safety indicators

	FY2026	FY2025	FY2024
<b>Total person-hours worked</b>			
Adcorp Holdings	84 214 732	82 477 277	90 743 251
Adcorp South Africa	79 195 290	76 508 472	84 899 537
Adcorp Australia	5 019 442	5 968 805	5 843 714
<b>Fatalities</b>			
Number of fatalities (i.e., injuries on duty leading to death, excluding the deaths of workers not occurring at work) <sup>1</sup>	-	3	1
<b>Total injuries</b>			
Adcorp Holdings	966	971	939
Adcorp South Africa	832	812	723
Adcorp Australia	134	159	216
<b>Lost-time injury frequency rates (LTIFR) – permanent and contingent employees calculated at 200 000 person-hours</b>			
Adcorp Holdings (industry benchmark: 2,55)	1,34	1,38	1,19
Adcorp South Africa (industry benchmark: 1,79)	1,37	1,40	1,18
Adcorp Australia (industry benchmark: 3,31)	1,31	1,14	1,37
<b>Total recordable injury frequency rate (TRIFR)</b>			
Adcorp Holdings	1,69	2,36	2,06
Adcorp South Africa	1,46	1,97	1,70
Adcorp Australia	5,34	4,94	7,39

1. Additional detail on past fatalities is available in that year's corporate citizenship report.

### Safety monitoring and standards

The Group monitors the safety performance of its entire workforce, including permanent employees, operational employees, and independent contractors, across more than 1 000 client sites. Managing safety across such a broad distribution is complex, as our people must adhere to the unique protocols of each client. Despite this, our SHEQ team provides centralised oversight to ensure consistent safety standards are maintained across our diverse operational footprint.

To accurately evaluate our performance, we do not set numerical injury targets, as we believe this could inadvertently imply an 'acceptable' level of harm. Instead, we have adopted a comparative approach:

- **Internal benchmarking:** We use prior year results to measure year-on-year improvement or deterioration.
- **Industry context:** we rely on relevant industry benchmarks to contextualise our performance against peers.

While ultimate responsibility for on-site safety rests with our clients, we empower our workforce through targeted SHEQ training aligned with specific client requirements. This collaborative model fosters a culture of shared accountability. Furthermore, we continue to leverage technology to enhance visibility: the ADSafe app uses Power BI to enhance critical risk control monitoring in South Africa and the DoneSafe platform similarly in Australia allow us to proactively identify hazards and track performance.

Our reporting and investigation processes have been strengthened to ensure the underlying causes of incidents are addressed. Focused on preventing recurrence, we utilise a robust SHEQ audit system, collaborative monthly client site visits, and detailed action tracking to resolve potential hazards early, safeguarding our social licence to operate.



## Wellbeing of employees

Adcorp is deeply committed to the wellbeing of its employees and actively creates a supportive work environment that prioritises holistic health. Our Group wellbeing strategy is designed to enhance employee engagement, boost productivity, and improve overall morale, while ensuring full compliance with occupational health and safety standards.

Central to our approach is a framework anchored by the four specific drivers of employee wellbeing recognised by Adcorp: intellectual, physical, emotional, and financial wellbeing. This targeted strategy outlines a clear roadmap aimed at promoting healthier lifestyles, building stress resilience, reducing absenteeism, and creating a more energised and motivated workforce. By actively equipping our people with the resources to manage these four pillars, the strategy also serves as a powerful tool for attracting and retaining top talent.

### The four drivers of employee wellbeing

#### Intellectual wellbeing

- **Resilience and adaptation:** Developing the ability to manage stress effectively and adapt to changing environments.
- **Potential realisation:** Empowering employees to reach their full potential through decision-making and relationship management.
- **Community contribution:** Fostering a culture of 'giving back' through meaningful volunteerism and social impact.

#### Physical wellbeing

- **Healthy lifestyle habits:** Promoting the importance of adequate sleep, nutrition, and regular physical activity.
- **Preventative care:** Encouraging regular health checks, hygiene standards, and the use of available wellbeing services.
- **Optimised environment:** Managing physical work constraints, such as ergonomics, to ensure a safe and healthy workplace.

#### Emotional wellbeing

- **Connection and belonging:** Building mutual connections with peers to strengthen resilience and foster a sense of belonging.
- **Emotional intelligence:** Supporting employees in understanding and learning how to manage their emotions effectively.
- **Purpose and meaning:** Helping individuals find genuine meaning and purpose in their professional and personal lives.

#### Financial wellbeing

- **Education and tools:** Providing financial help and education necessary to make informed, responsible decisions.
- **Stability and planning:** Supporting employees in creating a strong financial foundation and ongoing plans to reach future goals.
- **Work-life integration:** Promoting a 'working to live' philosophy that balances financial objectives with overall life fulfilment.

## Wellbeing initiatives

### Wellness engagement and physical health

We actively promote a culture of overall wellbeing through regional initiatives and on-site facilities:

- **BLU Culture Club:** In Australia, this initiative remains central to sustaining employee engagement and mental health awareness.
- **On-site facilities:** At Adcorp Place in Johannesburg, we provide a gym and access to holistic personal and professional coaching.
- **Regional events:** During FY2026, we hosted mini wellness day events across Johannesburg, KwaZulu-Natal, and the Western Cape, featuring physical activity competitions, blood bank drives, and flu vaccinations.

To further expand our employee wellbeing initiatives, we have engaged with the Eastern Cape management team and agreed to introduce regional wellness day events for the first time, starting in FY2027. These events will complement our broader range of subsidised health and wellness offerings. Across the Group, employees have access to various subsidised services, including fitness assessments, optometrist screenings, stress analyses, and cancer awareness initiatives, which are provided alongside fun team-building activities to foster both holistic health and team camaraderie.

The Group provides a comprehensive digital wellbeing ecosystem, functioning as an employee assistance programme to support the holistic health of our employees. Branded as Indela in South Africa and Acacia in Australia both in partnership with Support Room, this platform empowers individuals to manage their health proactively through access to professional therapists, business coaches, wellness consultants, and digital tools such as journalling and wellbeing trackers.

In addition, our wellness partner, Support Room also provides a facility called NIXY which is a digital wellbeing platform designed to give female employees access to wellbeing support, with a particular focus on women's mental health and wellness.



## Rewards, incentives and recognition

### Fair, equitable and responsible remuneration statement

Our remuneration philosophy is built on a commitment to fair, equitable, and responsible practices that empower the Group to attract and retain top-tier talent. We aim to foster a high-performance culture aligned with our values of fairness and excellence, while actively working to bridge historical inequalities and uplift lower-income employees. This approach is anchored in transparency, financial sustainability, and the principle of equal pay for work of equal value.

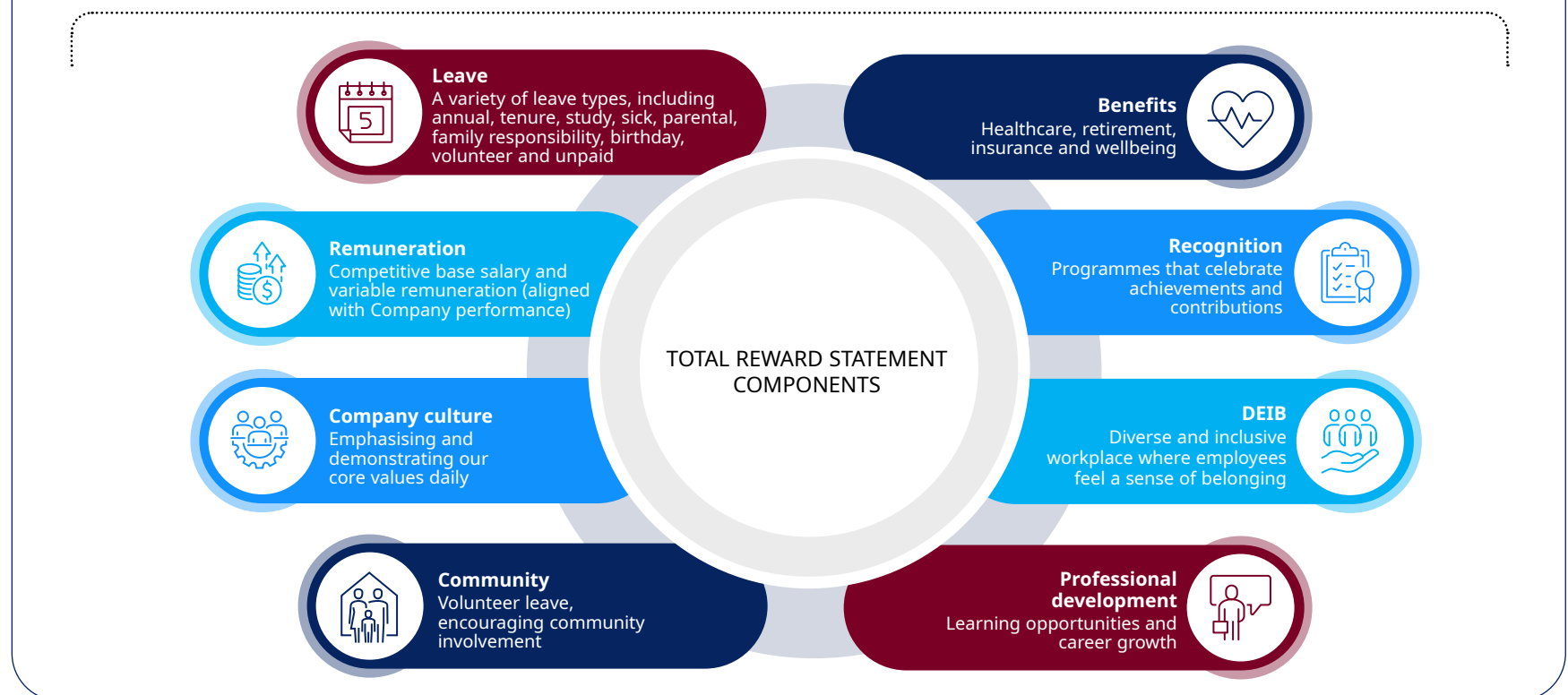
To maintain industry alignment and internal equity, we utilise the Paterson grading system in South Africa and the Equidi grading system in Australia. These systems support regular benchmarking and remuneration analyses, allowing the Company to identify and address pay disparities effectively. Our total rewards model further integrates these benchmarks with performance-based increases, incentive schemes, and peer recognition tools. We continue to maintain full compliance with the EEA and the Workplace Gender Equality Act. With the South African Companies Amendment Act of 2024 now in effect, our remuneration report has been updated to reflect the required remuneration gap disclosures and is available in the FY2026 integrated annual report.

### Total rewards statement (TRS)

The development of our TRS is a key initiative to enhance transparency and showcase the full value of the Adcorp offering to our employees. By consolidating information on basic remuneration, training costs, and additional benefits, such as birthday leave and volunteer leave, into a single view, we provide a compelling picture of our EVP.

During FY2026, the TRS was officially launched for Exco and Exco-1 leadership levels. Following the successful implementation of the Workday Learning module, we plan to roll out the TRS to all employees across the Company in FY2027. This remains an evolving journey as we continue to refine our rewards to meet the needs of a modern, technology-enabled workforce.

#### CORE OBJECTIVES OF THE TRS





# Governance

## Governance philosophy

Since its founding in 1975, the Company has matured into a leading technology-enabled workforce solutions provider operating across Africa and Australia. Our governance framework remains anchored in ethical leadership and integrity, aligning closely with King IV principles while maintaining full compliance with all JSE Listings Requirements.

Looking ahead, the Group has already commenced its transition to the King V Code on Corporate Governance, which will apply to financial years commencing on or after 1 January 2026. This includes the initiation of detailed gap assessments, governance framework enhancements, and the refinement of existing practices to ensure continued alignment with outcomes-based governance, ethical leadership, and sustainability principles. The transition programme will continue into FY2027 to support full and effective adoption.

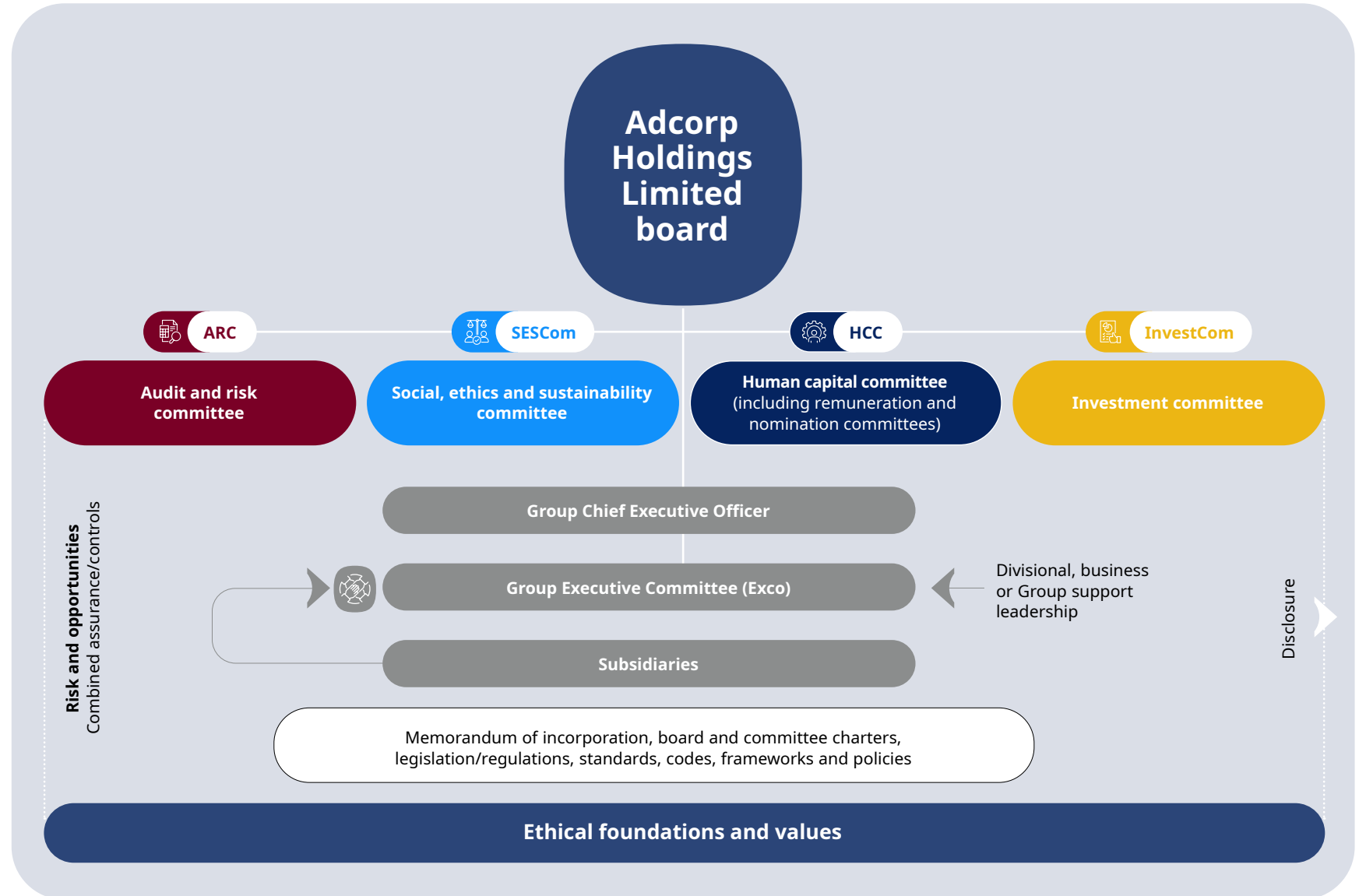
To further strengthen our oversight capabilities, we have formalised a Group governance function, headed by the CGO at the Exco level. This new structure integrates our corporate citizenship, company secretariat, investor relations, and risk and compliance teams across both South Africa and Australia, ensuring a unified and robust governance approach globally. Our governance remains focused on fostering an ethical culture and driving sustainable value creation. We maintain a heightened focus on evaluating emerging risks, particularly in relation to cybersecurity and the ethical governance of AI as we roll out Project Raptor, our new data and AI integration programme. This section provides a summary of the comprehensive governance report.

 The comprehensive governance report is available on our website [www.adcorpgroup.com](http://www.adcorpgroup.com).

## Governance structure

The Adcorp Group governance framework defines the structure and management approach for the Company and its subsidiaries, ensuring consistent alignment with international best practices. This framework is underpinned by a robust policy environment, including the board charter, memorandum of incorporation, and clearly defined governance processes established across all board committees.

The Group's governance structure comprises a unitary board of ten members, supported by four principal committees: ARC, SESCom, HCC, and the investment committee (InvestCom). Operational execution and day-to-day management are led by the Group Exco, which reports directly to the board, ensuring that our strategic objectives, including the Adcorp Horizon strategy, are met with transparency and accountability.





## Board composition and diversity

Adcorp places a strong emphasis on diversity across age, gender, and professional expertise, recognising its importance in fostering balanced, objective, and effective governance. As of 28 February 2026, the board comprised 10 members in total, consisting of two executive directors and eight non-executive directors. Reinforcing our commitment to independent oversight and governance rigour, six of our board members are classified as independent non-executive directors.

Our board structure is designed to ensure a healthy balance of deep institutional knowledge and fresh perspectives. For FY2026, the average age of our directors was 58 years. The average length of full board service was 5,7 years, with our executive directors averaging 4,6 years of service and our non-executive directors averaging six years.

Furthermore, the number of prescribed officers (who are not counted as executive directors) stood at six for the reporting period. No board remuneration was paid to directors for external consulting services during FY2026.

Numbers as at 28 February	FY2026	FY2025	FY2024
<b>Board members</b>			
Number of board members	10	9	10
Number of board members who are non-executive	8	7	8
Number of board members who are executive	2	2	2
Number of board members who are classified as 'independent'	6	5	5
Number of board members who are classified as 'ACI'	6	6	6
Number of board members who are female	4	4	4
<b>Director length of service (years)</b>			
Average length of executive director service	4,6	4,1	3,1
Average length of non-executive director service	6,0	5,8	4,4
Average length of full board service	5,7	5,4	4,1
<b>Prescribed officers</b>			
Number of prescribed officers (not counted as executive directors) <sup>1</sup>	6	3	4
<b>Director age</b>			
Average age of directors (in years)	58,0	57,2	54,0
<b>Board remuneration</b>			
Board remuneration paid to directors for consulting services	-	R0,8 million	R1,1 million

1. Natasha Parmanand (Managing Director: Staffing Solutions South Africa), Bruce Toerien (Managing Director: Contingent Staffing South Africa), Heidi Duvenage (Managing Director: Professional Services South Africa), Zeb Riddell (Managing Director: Contingent Staffing Australia), and Darran Butcher (Managing Director: Professional Services Australia).

### Board diversity at year end

We remain highly committed to gender representation at the highest levels of leadership. Female directors currently constitute 40% of the board (four out of 10 members), which maintains our performance at the Company's 40% gender diversity target.



Male  
**60%**

FY2025: 56%



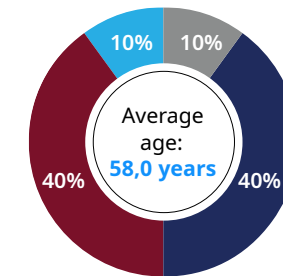
Female  
**40%**

FY2025: 44%

The board amended its gender diversity target from 30% to **40%** during the year.

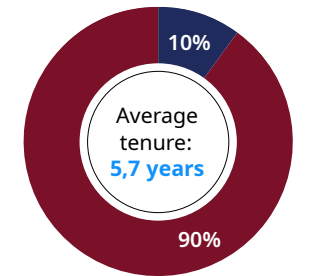


### Board age profile at year end



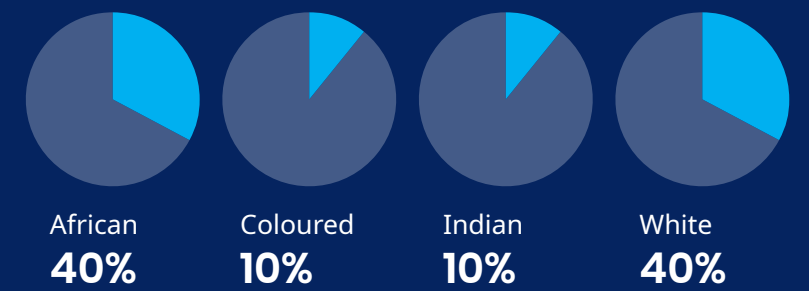
30 - 39 60 - 69  
50 - 59 70+

### Board tenure at year end



0 - 2 years 5 - 9 years  
2 - 5 years

Racial diversity also remained above target, with the board exceeding its 50% ACI target at year-end. Board race diversity at year-end was:

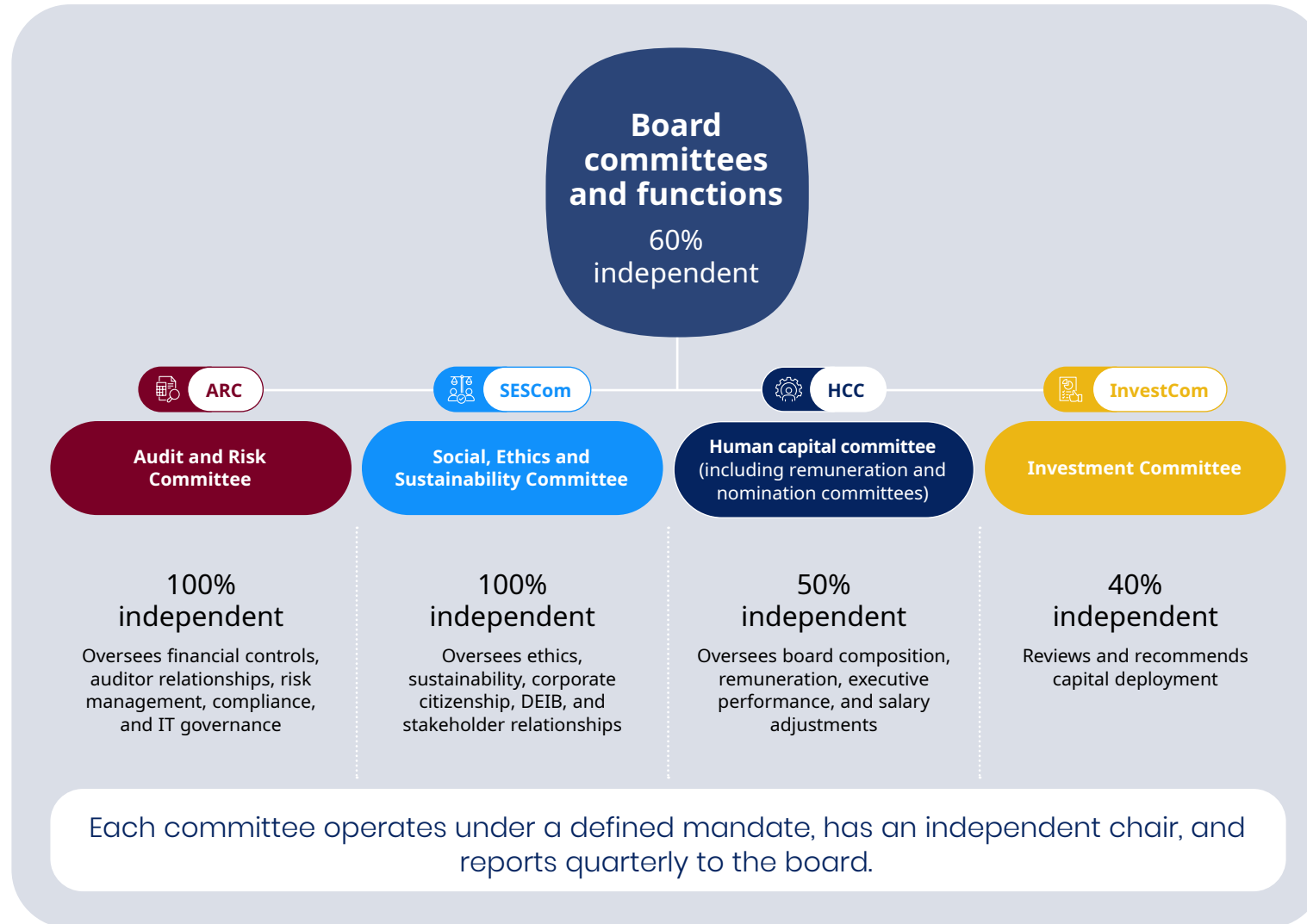


### Board composition at year end

Six independent non-executive directors

Two non-executive directors

Two executive directors



### Board focus areas

In FY2026, the board focused on several key strategic priorities to strengthen Adcorp’s resilience and long-term value creation. A major priority was overseeing the strategic pivot to our new business strategy, Adcorp Horizon, to drive performance, cost management, and more effective capital allocation. In the area of technology, the board oversaw the implementation of the Sparrowhawk enterprise applications project (replacing Skyhawk), aimed at enhancing client outcomes and operational efficiency.

From a governance perspective, efforts were made to refine frameworks and policies to better integrate international operations, supported by the formalisation of a new Group Governance function headed by the CGO to ensure consistency across the Group. The board also placed strong emphasis on risk management, particularly in relation to people, commercial exposure, information security, execution risks, and ESG performance, with a notable focus on supply chain ESG.

Looking ahead to FY2027, the board’s strategic focus will shift towards executing on key Adcorp Horizon priorities, succession planning and talent retention, overseeing the ethical governance of our new data and AI programme (Project Raptor), and preparing for the transition to the new King V Code on Corporate Governance.

### Ethics and corporate citizenship

The board ensures that the Group is recognised as a responsible corporate citizen, with ethical leadership integrated across all levels of the Company. This commitment is maintained through rigorous oversight of our Code of Ethics and the operation of an independent whistleblowing hotline. In FY2026, we completed a comprehensive review of the Code of Ethics to ensure continued alignment with our governance framework and recent legislative changes. The Code of Ethics explicitly applies to all ‘covered persons’, including directors, contractors, and operational employees, ensuring that our high ethical standards are consistently upheld across our entire workforce.

### Whistleblowing

We encourage all stakeholders to report concerns regarding unethical or illegal conduct through our confidential whistleblowing channels, which remain available 24/7 across all geographies with the option for anonymous reporting. Our whistleblowing framework provides protections in accordance with the South African Protected Disclosures Act 2000 and applicable Australian whistleblower protection legislation under the Corporations Act 2001. During the period, 57 cases were logged on our hotline. Forty-eight were routine candidate enquiries verifying automated consent emails from a new Professional Services division system, rather than privacy breaches. This left nine actual cases, comparable to 12 in the previous period, with none resulting in disciplinary hearings. The Group received zero complaints regarding human rights, modern slavery, or client privacy, reflecting our transparent approach to ethical investigations.



The Company maintains a zero-tolerance policy regarding child labour, modern slavery, and discrimination, reinforcing our dedication to fair labour practices. To support this, our human rights statement was significantly strengthened in FY2026 to include specific clauses that establish clear expectations and address evolving client and tender requirements. Primary oversight of ethical conduct remains the responsibility of the SESCom, which monitors internal investigations and organisational culture through tools such as the annual ethics survey.

Numbers as at 28 February	FY2026	FY2025	FY2024
Total number of whistleblower cases received	57	12	6
Number of cases leading to disciplinary hearings	-	-	2
Number of enquiries received concerning automated privacy consent requests <sup>1</sup>	48	-	-
Number of incidents concerning privacy breaches	-	-	-
Number of cases related to discrimination within the workplace	-	-	-
Number of cases related to modern slavery or human rights violations within the workplace	-	-	-

1. The Professional Services division launched a new system, which sent automated consents to candidates. These enquiries were to check the legitimacy of the email received by the candidate and were not privacy breaches.

**Adcorp Group Ethics Line**

- **Free call:** 0800 22 32 11
- **Website:** <http://tip-offs.com>
- **Email:** [advalue@tip-offs.com](mailto:advalue@tip-offs.com)

**Policies and codes of practice supporting DEIB**

The Group is dedicated to fostering a healthy and inclusive workplace by actively eliminating unfair labour practices, discrimination, and harassment. Guided by relevant legislation and codes of good practice, we continuously review our policies to ensure they reflect evolving global standards.

Our commitment to building a diverse and equitable environment is driven by the following priorities:

- **Transparency and accountability:** We uphold transparent practices in hiring, promotion, and remuneration, while holding management accountable for achieving equitable representation across the workforce.
- **Value-driven culture:** Our high-performance culture is anchored in our five core values namely: agility, client centricity, diversity and inclusion, respect, and teamwork.
- **Community and inclusion:** We are focused on creating meaningful employment opportunities, particularly for persons with disabilities, and strengthening our relationships with the communities in which we operate.
- **Zero-tolerance approach:** The Company maintains a strict zero-tolerance policy toward bullying, harassment, or any behaviour that is intimidating or demeaning.

**Our key ethics and corporate citizenship practices that protect and enhance fair labour practices**

**Affirmative action**

Promoting equitable opportunities and representation for historically under-represented groups

**Anti-bullying**

Maintaining 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**

Ensuring a safe and dignified work environment for all with a zero tolerance approach to sexual harassment

**Diversity, equity, inclusion, and belonging**

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 candidates, 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**

Maintaining 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



## Risk and information governance

Adcorp has a proactive, integrated approach to risk management, which is critical to safeguarding the Group's strategic objectives, operational resilience, and long-term sustainability. Oversight of the risk management framework is delegated to the ARC, which ensures that risks are identified, assessed, monitored, and mitigated across all areas of the business. This framework supports informed decision-making and enhances the Group's ability to respond to a dynamic external environment.

### Risk management practices

Core risk management practices include annual ERM reviews, through which material risks are evaluated and prioritised based on likelihood and impact. These reviews involve cross-functional input, scenario analysis, and alignment with the Company's strategic goals. The process is supported by clear lines of accountability, ensuring that risk ownership is embedded at all levels of the organisation.

In FY2026, particular attention was placed on cybersecurity threats, which remain the Group's primary risk, and broader strategic risks related to the execution of the Adcorp Horizon strategy. The ARC receives regular updates on key risks, along with mitigation actions and performance indicators.

**IAR** Refer to **page 21** in **the integrated annual report** and **page 11** in **this report**.

## Technology and information governance

Adcorp's technology and information governance framework is anchored in globally recognised best practices, including control objectives for information and related technologies (COBIT) and information technology infrastructure library (ITIL), providing a disciplined approach to risk management, service delivery, and performance oversight. In parallel, the Group is actively preparing for alignment with the forthcoming King V principles, with a specific focus on the integrated governance of data, information and technology as strategic organisational assets.

During FY2026, Adcorp successfully transitioned to a lean, fully outsourced operating model, underpinned by strategic partnerships with leading technology service providers. This operating model reduces key personnel risk, enhances scalability, and delivers cost efficiencies while maintaining high levels of service resilience across South Africa and Australia. The shift also enables the internal IT function to focus on governance, architecture, risk oversight and strategic enablement rather than operational execution.

Group IT plays a pivotal role in the execution of the Adcorp Horizon strategy, and launched Project Raptor, a multi-year data and AI enablement programme designed to strengthen Adcorp's digital and analytical capabilities. A cornerstone of this initiative is the implementation of a unified data architecture, which enables the secure ingestion, governance and integration of enterprise data across the Group.

Recognising the accelerated adoption of AI and its related ethical considerations, the newly established Group governance function, in collaboration with IT and our strategic partners, is developing an enterprise framework for the responsible and ethical use of AI.

Technology related governance and risk oversight form a standing component of the ARC agenda. The Group Executive for IT provides quarterly updates to the ARC covering material technology risks, cybersecurity posture, data governance maturity, investment performance and emerging digital trends. This integrated approach to IT and enterprise risk governance ensures that Adcorp not only safeguards its information assets but also leverages technology as a strategic enabler of operational efficiency, innovation and enhanced client value.





## Cybersecurity governance

Cybersecurity remains the Group's most material technology-related risk, particularly against the backdrop of an increasingly sophisticated global threat landscape and the sensitive nature of the data entrusted to Adcorp. The potential unauthorised access, loss or corruption of confidential information could result in significant financial loss, reputational damage and regulatory exposure if not effectively managed.

Governance and oversight of cybersecurity and data protection are primarily the responsibility of the ARC, with cybersecurity treated as a standing risk item within the Group's enterprise risk management framework. While elements of the Group's technology environment are operated by specialist third party service providers, accountability for cybersecurity governance remains firmly embedded at board and ARC level, ensuring clear ownership, oversight and escalation of cyber-related risks.

During FY2026, a key area of focus was the assessment, remediation and controlled retirement of legacy infrastructure and network environments. These environments inherently present elevated cyber risk due to technical obsolescence and limited vendor support. As part of this programme, Adcorp audited and optimised its legacy platforms, addressed identified vulnerabilities, and safely transitioned hosting and IT services to a new strategic vendor to strengthen compliance, resilience and security monitoring capabilities.

The Group further enhanced its cybersecurity posture through the expansion of its managed detection and response capability in partnership with NEC XON. This included the deployment of advanced monitoring and threat-detection tools, providing enhanced visibility across the environment and enabling faster identification, containment and response to emerging threats. These measures form a critical component of Adcorp's layered defence strategy and support continuous improvement in cyber resilience.

Cybersecurity performance, threat intelligence, incident trends and remediation actions are reported regularly to the ARC, supporting informed oversight and continuous risk reduction. As technology and cyber threats continue to evolve, Adcorp remains committed to strengthening its governance, capabilities and partnerships to protect its information assets, clients and stakeholders while enabling secure digital growth.

## Compliance and legal assurance

The Group maintains a strong commitment to regulatory compliance and legal integrity as a cornerstone of its governance framework. In FY2026, we strengthened our oversight capabilities by formalising the newly established Group Governance function. This new structure integrates risk and compliance, the company secretariat, ethics, and corporate citizenship across South Africa and Australia to ensure a unified and robust governance approach globally. The Group head of risk and compliance in each jurisdiction manages the compliance programme, which involves monitoring adherence to applicable legislation.

During FY2026, the Company actively monitored several key regulatory developments, including preparation for the King V Code and Companies Act amendments in South Africa, alongside the new Right to Disconnect laws and Workplace Health and Safety amendments in Australia.

The Group recorded zero material legal sanctions, penalties, or regulatory fines during FY2026, and there were no significant social or governance legal non-compliance directives or investigations initiated.

Our compliance framework is supported by a suite of internal policies and practices that align with governance best standards, thereby safeguarding the organisation's reputation and ensuring long-term operational continuity.

## Business continuity management

In FY2026, Adcorp significantly advanced its approach to organisational resilience. The Group Business Continuity Policy underwent a comprehensive update, which included revising individual divisional business continuity plans and ensuring full alignment across our Australian operations. Governance oversight of crisis management and business continuity falls under the mandate of the ARC.

Furthermore, as part of our strategic pivot to the Adcorp Horizon strategy, business continuity and disaster recovery capabilities are no longer treated as add-ons; they are now being directly embedded into the Group's core technology platforms. This transition to a unified, cloud-based IT architecture ensures that resilience measures, security, and access controls are governed centrally and applied consistently across all divisions and geographies.



3

# DIVERSITY, EQUITY, INCLUSION AND BELONGING

## DEIB metrics

Adcorp Workforce Solutions



South Africa



**B-BBEE level 1**

Employees  
**44 898**  
2025: 40 949

Employees trained  
**1136**  
2025: 1 888



Australia

Employees  
**1741**  
2025: 2 514

Employees trained  
**133**  
2025: 153



Learners and interns  
**316**  
2025: 493

of which  
**43**  
2025: 37  
have disabilities

As Adcorp transitions into a technology-enabled workforce infrastructure platform, the DEIB pillar ensures that the Group fosters an inclusive, high-performance culture that can attract and retain specialised operational, compliance, and digital talent. By prioritising human rights, equitable practices, and transformation, DEIB empowers the workforce and leadership to execute the Horizon strategy across diverse global markets.

## Our values and culture

Adcorp's five core values, agility, client centricity, diversity and inclusion, respect, and teamwork, remain the fundamental principles guiding our corporate conduct. However, as we transition under the Adcorp Horizon strategy, our cultural expectations have evolved.

Our values actively support a high-performance culture that prioritises data-, platform-, and system-led decision-making over legacy practices. This cultural shift ensures our activities, including transformation, CSR, and market expansion, align with our strategy to deliver outcome-based value to clients while building a future-fit workforce.

These values are deeply embedded in our newly updated code of ethics. To reflect our geographically expanding and complex operational footprint, the revised code ensures our ethical standards apply universally to all. This extends our principles of integrity, professionalism, and trust beyond permanent employees to include directors, contractors, labour-hire workers, and anyone acting on behalf of Adcorp.

Ultimately, our values and culture are the foundation of our DEIB commitments. They are deeply integrated into our purpose of enabling agile, focused, and skilled workforces for the future, directly influencing our talent management and fair remuneration strategies. By driving initiatives like our capability-led learning ecosystems and the rollout of our total rewards statement, we ensure we attract, retain, and reward individuals who embody these values, allowing us to consistently provide safe, dignified, and equitable work for all our people.

All five of Adcorp's core values underscore the importance of DEIB





### DEIB forums

Adcorp South Africa maintains well-established DEIB forums across its business units as a central component of its corporate citizenship and transformation strategy.

Rooted in Adcorp's transformation policy, these forums play a pivotal role in advancing our commitment to inclusive transformation, supporting both the organisation's employment equity (EE) framework and the broader objectives of the B-BBEE Act. Notably, in FY2026, the forums were instrumental in developing, approving, and implementing the new five-year EE sectoral plans mandated by the amended EEA.

Nominated by their peers, forum members represent employee voices, participate in quarterly discussions, and ensure key decisions are cascaded through the business. Importantly, these committees also support compliance with EE legislation and contribute to processes such as workplace skills plans, reinforcing employee engagement in learning and development initiatives.

Recognising the opportunity to enhance impact, DEIB and EE capacitation training is regularly conducted. During FY2026, targeted training initiatives were rolled out to deepen awareness and capability across key inclusion areas, covering topics such as unconscious bias, disability awareness, and the prevention of harassment. This ensures members remain up to date with the latest legislative requirements and best practices, while also equipping new members with the foundational knowledge needed to engage meaningfully in their roles.



# Workforce demographics and diversity

South Africa		Permanent employees	Deployed employees	Contingent employees	Independent contractors
RACIAL DIVERSITY	<b>Headcount FY2026</b>	<b>1 603</b>	<b>10 491</b>	<b>32 804</b>	<b>706</b>
	FY2025	1 575	8 686 <sup>1</sup>	30 688	921
	<b>Total ACI FY2026</b>	<b>87%</b>	<b>99%</b>	<b>98%</b>	<b>51%</b>
	FY2025	86%	99%	97%	56%
	<b>African FY2026</b>	<b>62%</b>	<b>95%</b>	<b>85%</b>	<b>34%</b>
	FY2025	59%	94%	84%	36%
	<b>Coloured FY2026</b>	<b>19%</b>	<b>4%</b>	<b>12%</b>	<b>11%</b>
	FY2025	20%	5%	12%	14%
	<b>Indian FY2026</b>	<b>6%</b>	<b>1%</b>	<b>1%</b>	<b>7%</b>
	FY2025	7%	1%	2%	6%
GENDER IDENTITY	<b>White and foreign nationals FY2026</b>	<b>13%</b>	<b>0,2%</b>	<b>2%</b>	<b>49%</b>
	FY2025	14%	0,4%	3%	49%
	<b>Youth under 35 FY2026</b>	<b>38%</b>	<b>45%</b>	<b>65%</b>	<b>13%</b>
FY2025	33%	59%	64%	29%	
DIVERSITY	<b>Females FY2026</b>	<b>49%</b>	<b>23%</b>	<b>39%</b>	<b>37%</b>
	FY2025	50%	27%	37%	39%
DIVERSITY	<b>Disability status FY2026</b>	<b>2%</b>	-	-	<b>0,1%</b>
	FY2025	3%	-	-	-

1. The number of deployed employees was restated to include insured employees.

Australia <sup>1</sup>		Permanent employees	Contingent employees	Independent contractors
GENDER IDENTITY	<b>Headcount FY2026</b>	<b>133</b>	<b>1 608</b>	<b>1 156</b>
	FY2025	153	2 361	1 178
	<b>Youth under 35 FY2026</b>	<b>30%</b>	<b>55%</b>	<b>11%</b>
	FY2025	33%	60%	10%
	<b>Females FY2026</b>	<b>64%</b>	<b>41%</b>	<b>28%</b>
	FY2025	50%	27%	36%

1. In Australia, employees do not have an obligation to share information about their race or disability status with their employer, which is why those metrics are excluded.





## Total workforce demographics

(permanent, deployed and contingent employees)

	FY2026	FY2025	FY2024
<b>Employee demographics – South Africa</b> (permanent, deployed and contingent employees)			
Percentage of management (top and senior) deemed 'ACI'	44%	41%	44%
Percentage of management (top and senior) who are women	56%	55%	47%
Percentage of employees who are deemed 'ACI'	97%	97%	98%
Percentage of employees who are women	37%	37%	37%
Percentage of employees who are 'permanent'	15%	17%	16%
Percentage of employees under the age of 30	44%	40%	40%
Percentage of employees aged between 30 and 50	51%	54%	54%
Percentage of employees over the age of 50	6%	6%	6%
<b>Employee demographics – Australia</b> (permanent and contingent employees)			
Percentage of management (top and senior) who are women	38%	43%	33%
Percentage of employees who are women	43%	31%	35%
Percentage of employees who are 'permanent'	8%	4%	6%
Percentage of employees who are youth <35	53%	54%	62%
<b>Employee turnover (percentage)</b> (permanent + deployed)			
Voluntary employee turnover – South Africa	9,5%	10,1%	11,0%
Involuntary employee turnover – South Africa	9,3%	8,9%	8,2%
<b>Total employee turnover<sup>1</sup></b>	<b>18,8%</b>	<b>19,0%</b>	<b>19,2%</b>
Voluntary employee turnover – Australia	21,8%	27,0%	18,0%
Involuntary employee turnover – Australia	18,1%	13,0%	5,0%
<b>Total employee turnover<sup>1</sup></b>	<b>39,9%</b>	<b>40,0%</b>	<b>23,0%</b>

1. Number of persons who departed relative to the total number of employees at year end.



## Diverse workforce

We recognise diversity within our workforce as a critical factor for continued success. Our focus is primarily on South Africa, given the country's history and current legislative frameworks, such as B-BBEE and EE, which aim to drive meaningful transformation and redress historical imbalances.

In Australia, diversity reporting is not encouraged, as individuals maintain the right to not disclose such information.

## Disability confident recruiter

Adcorp remains dedicated to fostering an inclusive environment that supports persons with disabilities. During FY2026, our Australian operations successfully completed a new cycle of rigorous assessments, training, and auditing to retain our status as a disability confident recruiter.

Our successful re-certification as a disability confident recruiter confirms that we continue to meet the high standards required to remove barriers within the recruitment process. This status ensures that our Australian brands are equipped to provide an accessible and equitable experience for all candidates, allowing them to fulfil their potential and contributing to a diverse and future-fit workforce.

## Driving disability inclusion through iCAN

In South Africa, iCAN by Adcorp specialises in disability placement and training solutions, driving our commitment to inclusive transformation. By managing targeted learnerships alongside our training academy, PMI and iCAN equip persons with disabilities with 'future-fit skills' that align with national strategies. This dedication to social and economic inclusion actively supports Adcorp's responsible corporate citizenship. Internally, iCAN actively champions a culture of awareness and belonging. Key FY2026 initiatives included driving awareness and understanding in recognition of the International Day Of Persons With Disabilities to foster a more inclusive work environment, and partnering with corporate citizenship, human capital, iCAN, and SupportRoom teams to drive the 16 days of activism gender-based violence (GBV) awareness and pledge campaign.



## Gender-based violence awareness and support

Adcorp reaffirmed its commitment to combating GBV through comprehensive awareness campaigns, robust policy governance, and targeted employee training. The highlight was our active participation in the 16 Days of Activism campaign (25 November to 10 December 2025), facilitated through a partnership between the corporate citizenship, human capital, iCAN, and SupportRoom teams. This initiative featured an online pledge wall as well as a physical pledge wall where employees formally committed their support to protecting against GBV, and a 'wear orange day' on 4 December to stand in solidarity with survivors. As part of this campaign, Adcorp also partnered with the NGO 'Run To The Monster' to offer voluntary learning and short-form educational videos focusing on conscious and unconscious bias and GBV awareness, which was well-received by employees. To underpin these awareness efforts, Adcorp actively governs its prevention and elimination of violence and harassment in the workplace policy.



### GBV Training

Run To The Monster training (GBV/unconscious bias) completion rate – Group  
16 Days of Activism – Workplace pledges (SA)

FY2026

441

107

Furthermore, we prioritised compliance and workplace conduct training, seeing particularly strong engagement in Australia where the 'workplace sexual harassment' and '16 days of activism' courses were among the most frequently completed by employees in our Paxus and BLU divisions.

## Union membership

Adcorp formally upholds the fundamental rights of its employees to freedom of association and collective bargaining. This commitment is explicitly outlined in the updated human rights statement and aligns with the International Labour Organisation's (ILO) core conventions. The Group ensures that employees have the right to freely choose whether to form, join, or refrain from joining trade unions, and guarantees these rights can be exercised without fear of discrimination, intimidation, or reprisal. Employees are members of various trade unions depending on the specific sectors and industries in which they work.

While Adcorp fully supports union participation, a relatively small proportion of the overall workforce has elected to join trade unions. Membership trends vary across the different employment categories. None of the Company's permanent employees are currently members of a trade union.

Unionisation	FY2026	FY2025	FY2024
Percentage of contingent employees who belong to a trade union – South Africa	12%	10%	10%
Percentage of deployed employees who belong to a trade union – South Africa	23%	27%	26%
Percentage of contingent employees who belong to a trade union – Australia	<5%	<5%	<5%

### Collaboration and engagement

Adcorp views trade unions and bargaining councils as licence and legitimacy stakeholders, as they are essential for maintaining our social licence to operate. The Group's approach to collaboration involves:

- **Constructive dialogue:** Adcorp is committed to engaging in good faith with employee representatives and trade unions. Management acknowledges the critical role unions play in protecting workers' rights, negotiating labour contracts, and resolving disputes.
- **Client operations:** Union agreements at client sites directly impact Adcorp's operational strategy. For example, a client in the transport and logistics industry is restricted to outsource a maximum of 30% of its workforce. Adcorp successfully navigates these parameters through high-trust relationships with the client and unions.



# Training

## Capability-led skills development and training

Our approach to skills development has undergone a significant strategic shift. In FY2026, we evolved from a fragmented, spend-driven view of training towards an integrated capability system that directly links learning investments to our strategic business priorities.

This new training approach is a critical enabler of the new strategy. Adcorp Horizon requires the Group to expand into new geographic markets and shift towards higher-value, outcome-based outsourcing solutions. To support this, our training approach needs to change. By linking accredited training directly to placements, we lift overall employability, reduce worker churn, and increase the lifetime value of each learner, which is essential for deploying large-scale workforces in regulated environments. Furthermore, the new strategy ensures that our leadership and functional capabilities do not lag our new asset-light, technology-driven operating model. The people capability and development function has mapped the required capabilities for the divisional strategies and identified appropriate internal and external training solutions to capacitate the business to execute on Adcorp Horizon. The next step is to start building competency frameworks for critical roles, defining skills, knowledge and attribute requirements. This will inform training initiatives, talent acquisition and succession.

## Technology enablement

To facilitate this capability-led strategy and achieve the scale required by Adcorp Horizon, we launched Workday Learning in October 2025. Acting as a single, centralised learning home, this platform consolidates all training and skills development initiatives. This investment directly supports the Adcorp Horizon mandate of utilising shared, groupwide technology platforms to drive efficiency, consistency, and visibility across the organisation. In Australia, Adcorp utilises the Go1 Employment Hero learning platform to deliver continuous e-learning courses focused on compliance, leadership, digital skills, and employee wellbeing.

## Capability-led workplace skills planning

From FY2027, our workplace skills plan process has been repositioned. Instead of merely tracking spend, the capability-led cycle now starts with the business strategy, translates that strategy into necessary competencies, and then identifies targeted learning pathways and interventions for employees. Workplace skills plans and annual training reports were successfully submitted to the relevant sector education and training authorities (SETAs) in April 2026. This ensures compliance and eligibility to receive SETA funding, as well ensuring a positive impact on our B-BBEE scorecard.

## Key capability building focus areas

During the reporting period, this new strategy was rolled out across several targeted programmes to build future-fit skills, as follows:

- **Sales capability:** To strengthen account growth and pipeline development, we implemented a structured sales academy approach. This included the launch of the sales cadet programme in February 2026 (with an initial cohort of 17 cadets) to build junior sales capability.
- **Leadership capability:** A Group-aligned leadership competency roadmap is being established to reinforce practices that drive performance. Initiatives include the Amplify your leadership potential programme (a mandatory foundational refresher for all people leaders launched in March 2026) and the design of the advanced programme for executive excellence (APEX) to strengthen the executive talent pipeline. This ensures our leaders are equipped to champion the data-, platform-, and system-led decision-making culture demanded by Adcorp Horizon.
- **Functional and business capability:** We partnered with leading business schools to deliver targeted programmes, such as finance for non-finance managers and unleashing innovation and problem solving with design thinking. These interventions are designed to strengthen role-critical capabilities, enhance decision quality, and improve operational execution across the Group.

## Employee training



### Training South Africa

	FY2026	FY2025	FY2024
Total number of employees trained for skills	1 136	1 888	1 822
Total number of ACI employees trained for skills	1 015	1 640	1 524
Total number of female employees trained for skills	667	1 909	1 145
Total number of Black female employees trained for skills	447	921	950
Total number of employees with disabilities trained for skills	50	40	72
Rand value of employee training spend	R16 816 901	R13 638 983	R14 896 264



### Training Australia

	FY2026	FY2025	FY2024
Total number of employees trained for skills	133	153	NA <sup>1</sup>
Total number of female employees trained for skills	85	98	NA <sup>1</sup>
Total number of employees with disabilities trained for skills	-	1	NA <sup>1</sup>
Rand value of employee training spend	R1 048 634	R753 627	R311 129

1. During FY2025, we enhanced reporting for Australia, resulting in some past data not being available.



### Learnerships

Adcorp considers learnerships, internships, and apprenticeships as a key strategy for skills development and lowering barriers to entry into the workforce for unemployed youth. During FY2026, the Group invested a total of R5 213 990 (FY2025: R4 549 091) into these programmes. Through this investment, Adcorp successfully supported the development of 316 (FY2025: 493) individuals. The reduction in learners was a result of a decrease in client-funded learners; however, Adcorp increased its overall spend as costs per learner increased.

These structured learning pathways continue to prove effective in creating sustainable employment outcomes and internal capability growth; following the completion of their accredited qualifications such as the Business Administration NQF Level 4, six learners from designated groups successfully transitioned into permanent roles across our business units and client sites during the year.

The participation profile for the year consisted of

**43 SETA**

funded learners,

**273**

employees and fixed-term learners, of which

**43**

learners had disabilities.

#### Learnerships and internships - SA

	FY2026	FY2025	FY2024
Total learnerships and internships	316	493	639
Disability status	43	37	52
Rand value invested in learnerships	R5 213 990	R4 549 091	R5 044 460
Rand value invested in learnerships for people with disabilities	R936 100	R1 246 720	R375 400

### Modern slavery



#### South Africa

**South Africa:** Comprehensive modern slavery training was introduced in South Africa for the first time during this reporting period. All permanent employees received a digital micro-learning awareness module, developed in collaboration with the PMI team and launched on the new Workday Learning platform.

Furthermore, the Company rolled out targeted one-hour, in-depth workshops for leadership, including managing directors, managing executives, internal policy influencers, and human capital specialists. These workshops focused on identifying 'red flags' and understanding formal reporting procedures, with 67 individuals successfully completing these modern slavery leadership sessions and 79% of the permanent workforce completing the micro-learning.



#### Australia

**Australia:** Following the rollout of comprehensive modern slavery training in FY2025, our Australian operations have adopted a biennial training cycle to balance operational requirements. Consequently, while no new training was introduced in FY2026, the region remained focused on closing compliance gaps. By ensuring that outstanding employees completed the required modules, the region successfully pushed its completion rate to over 96% (FY2025: 89%).

### Ethics awareness

While comprehensive online ethics and fraud training modules are deployed on a multi-year cycle, continuous capability building and awareness are maintained across both South African and Australian operations. In FY2026, our ethics engagement drive included a code of ethics refresher, a targeted ethics survey and awareness initiative, and a dedicated whistleblowing communication campaign. These initiatives cover key areas aligned with our newly revised code of ethics and conflict of interest and disclosure policies, which were significantly strengthened this year to include explicit ESG, data privacy, human rights, and modern slavery requirements. As part of an enhanced annual declaration process, employees are required to declare any conflicts.

Furthermore, training and communication content is continuously refined based on emerging risk trends; for example, FY2026 awareness communications were specifically tailored to address an increase in externally driven recruitment impersonation scams.

### Cybersecurity awareness and training

Cybersecurity and data infiltration continue to be ranked as the Group's number one risk, where a potential breach is viewed as catastrophic to business continuity. To address this, a formal cybersecurity strategy has been approved to guide all risk-based cyber initiatives. Within this framework, cyber awareness and training remain key mitigating controls. These educational programmes are conducted regularly across all geographies to enhance employee awareness and reduce human-related cyber risks, reinforcing basic cybersecurity principles and promoting vigilance against threats such as phishing, harmful links, and malicious activities. Ongoing enterprise risk assessments and educational initiatives emphasise the need for continuous user awareness to help mitigate evolving IT governance and AI ethics risks.



# B-BBEE scorecard

The Group's largest subsidiary, Adcorp Workforce Solutions, achieved Level 1 compliance.

Because the AWS scorecard consolidates most of our business units, it serves as the most accurate and practical reflection of our overarching transformation efforts.

While the Group maintains four separate scorecards in total, this report highlights the respective B-BBEE levels for the remaining entities, Adcorp Holdings Limited (AHL), FunxionO, and Adfusion Contract Management Services (ACMS), in a brief accompanying section.

For stakeholders seeking a more comprehensive breakdown, including a detailed explanation of our holding structure, which specific business units are consolidated under the Level 1 AWS rating, and the full certificates for all four entities, this information will be available on the newly updated Adcorp website.

**Management Control:** Adcorp continues to strengthen inclusive leadership and representation across the organisation, with a focused effort on advancing Black professionals and Black women in leadership. Our EE practices are supported by fair recruitment processes and active oversight through established governance structures, ensuring accountability and sustained progress. Intentional EE targets have been set to drive measurable improvement over time, supporting our ambition to enhance representation and progressively improve performance.

ACHIEVABLE POINTS: 19

**Socioeconomic development:** Adcorp is committed to making a meaningful and lasting impact in the communities we serve. Our investments focus on education, youth development, and programmes that support individuals with disabilities, reflecting our dedication to inclusive and sustainable development. By prioritising skills transfer and targeted training initiatives, we empower disadvantaged communities with the tools needed to achieve economic participation and independence. This approach fosters long-term growth, both for the individuals we support and for Adcorp as a socially responsible organisation.

ACHIEVABLE POINTS: 5

**Enterprise and Supplier development:** Adcorp continues to advance supplier diversity by supporting businesses across the value chain, with a focus on Black-owned and female-owned enterprises. In FY2026, this was further strengthened through targeted mentorship, enterprise development support, and initiatives aimed at improving market access and operational sustainability. Our approach is anchored in driving long-term business sustainability, recognising the critical role that SMMEs play in economic growth. As such, we prioritise support for exempted micro enterprises and qualifying small enterprises to enable their growth, resilience, and meaningful participation within our value chain.

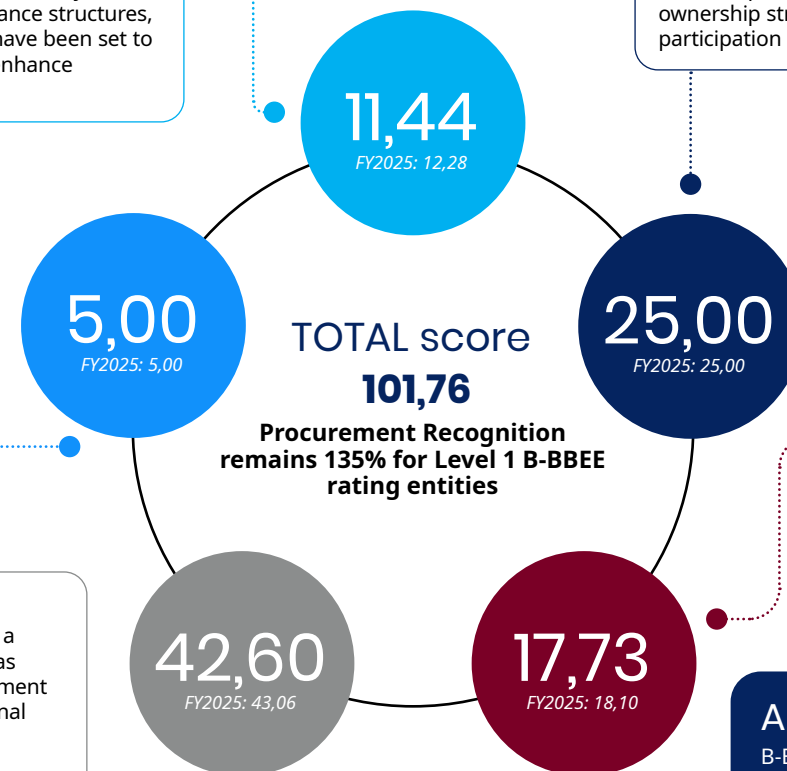
ACHIEVABLE POINTS: 46

**Ownership:** Adcorp maintains strong performance in ownership, achieving full points and maintaining Black-ownership at 77,60% and Black-female ownership at 62,35%. This is supported by an established employee share ownership structure, reinforcing our commitment to broad-based participation and long-term value creation for beneficiaries.

ACHIEVABLE POINTS: 25

**Skills development:** Skills development remains a strategic priority, driven through our bursary programmes, personal development strategy, and youth scholarship initiatives. These efforts are focused on increasing access to learnerships and work-based learning opportunities for Black youth, thereby promoting a culture of continuous learning and empowerment. In alignment with the Skills Development Act, Adcorp maintains full compliance by registering with relevant SETAs and requiring the development of workplace skills plans and the execution of skills gap analyses across the organisation. This structured approach ensures that training and development initiatives are both impactful and aligned with national transformation goals.

ACHIEVABLE POINTS: 25



AHL	FunxionO	ACMS
B-BBEE Level 8: Procurement recognition =	B-BBEE Level 2: Procurement recognition =	B-BBEE Level 4: Procurement recognition =
<b>10%</b>	<b>125%</b>	<b>100%</b>



# CORPORATE SOCIAL RESPONSIBILITY

## CSR metrics



Trained unemployed individuals

**2 049**

(2025: 2 257)

At a cost of

**R6,55 million**

2025: R7,61 million



Learners with disabilities

**43**

2025: 37



Spent on CSR activities

**R11,81 million**

2025: R11,75 million

on CSR activities



Supported Black-owned SMMEs

**6**

2025: 6

At a cost of

**R4,13 million**

2025: R3,12 million

Employees participated in volunteerism

**88**

2025: 136

Adcorp Horizon is designed to compete by securing, training, and deploying labour in sectors where supply is structurally scarce.

The CSR pillar directly addresses this core constraint through its focus on future-fit skills development, vocational training, and education. CSR initiatives strategically align with the 'workforce enablement: education' element of the Horizon strategy, linking training capabilities directly to AME expansion, employer of record services, and regulated workforce deployment. Initiatives such as building offshore training capacity in the Pacific and repositioning PMI as a scalable Pan-African skills platform will transform CSR from a philanthropic function into a strategic talent engine that fuels Adcorp's long-term growth.

## CSR management

Adcorp's approach to CSR focuses on generating positive social and economic impact through targeted programmes and partnerships that support people, strengthen communities, and advance inclusive development.

To ensure our philanthropic efforts remain aligned with Adcorp's values and CSR focus areas, we govern these activities using our sponsorships, donations and charitable giving policy and our transformation policy. Before entering any partnership, the Group conducts reasonable due diligence to confirm ethical and social alignment. Organisations or initiatives suspected of violating human rights, engaging in modern slavery, promoting discrimination, or causing environmental harm are excluded from consideration.

## CSR and ESG champions

As part of embedding corporate citizenship across all levels of the business, our established network of CSR champions within South Africa continues to thrive. These individuals, embedded in various business units, play a pivotal role in localising and driving group-level initiatives within their respective areas.

The 39 CSR champions in South Africa are passionate and actively engaged, mostly being self-nominated for the role. Their responsibilities include organising volunteer opportunities, managing logistics, capturing key details of each initiative, and reporting on outcomes. In FY2026, a centralised budget was provided to further support their efforts. Champions encourage their teams to take time out to volunteer for causes close to their hearts, whether animals, children, environmental, or other charities.

In Australia, the framework encompassing ESG, CSR, and DEIB has become more structured in FY2026. A dedicated ESG Champion role at Group level supports consistent implementation across Adcorp Holdings Australia; including both Blu and Paxus, ensuring alignment with Group priorities while responding to local market dynamics. The champion ensures that ESG data and other initiatives are proportionately implemented for their unique market. He coordinates volunteerism alongside HR and Marketing, in partnership with the Group corporate citizenship team, to ensure strategic alignment with Group CSR priorities.

Additionally, the active 'culture club' within the BLU business continues to meet regularly to provide business, wellbeing, and employee updates, and Paxus is currently looking at introducing a similar culture club format for its teams. Through these structures, CSR and volunteer activities are actively supported, with recent community initiatives including support for Ronald McDonald House and Meals on Wheels.



# CSR at Adcorp

CSR is Adcorp's commitment to generating positive social and economic impact through targeted programmes and partnerships that advance opportunity, support communities, and enable inclusive development. The overview below reflects activities across South Africa and Australia.

## Our CSR focus areas



### Skills development for unemployed youth

The provision of accredited training, mentorship, and work readiness programmes to help unemployed young people gain employable skills and improve their access to sustainable jobs.



### International labour mobility

The PALM scheme enables employers to hire workers from Pacific Island countries and Timor-Leste to fill labour shortages in sectors like agriculture, aged care, and hospitality. It benefits both Australia and participating nations by addressing workforce gaps while providing economic opportunities and skills development.



### Support for small businesses (enterprise and supplier development)

Support provided to small and medium enterprises, especially Black-owned businesses, to strengthen their capacity and participation in the economy. Some of the businesses become suppliers of Adcorp.



### Support for communities (socioeconomic development)

Direct support for initiatives that uplift disadvantaged communities and unemployed youth, aiming for job creation as a long-term goal and focusing on empowerment as the core purpose.



### Volunteerism and charitable giving

A culture of community engagement through which Adcorp employees contribute time and skills to social causes, often through structured volunteering days and activities supported by the Company.

**i** Read more on **page 53** of this report.

**i** Read more on **page 54** of this report.

**i** Read more on **page 55** of this report.

**i** Read more on **page 56** of this report.

**i** Read more on **page 57** of this report.



# Skills development for unemployed youth

Adcorp is dedicated to empowering the next generation by dismantling barriers to labour market entry and building a future-fit, inclusive workforce.

As a leading workforce solutions provider, the Group focuses on promoting youth employability and supporting robust skills development initiatives. Our investment in these programmes for unemployed individuals totalled R6,5 million (FY2025: R7,6 million).

Unemployed training spend – South Africa	FY2026	FY2025	FY2024
<b>Total number of individuals trained for skills</b>	<b>2 049</b>	2 257	2 492
ACI individuals trained for skills	1 942	2 205	2 393
Females trained for skills	1 703	1 977	1 876
Black females trained for skills	1 367	1 891	1 782
<b>Spend on skills development for unemployed individuals</b>	<b>R6 551 650</b>	R7 610 928	R7 656 621

## Learnerships

In South Africa, we utilise learnerships as a primary strategy to provide vocational qualifications and practical on-the-job experience, specifically for young individuals and persons with disabilities. These programmes are vital for long-term talent attraction and often lead to permanent employment and career advancement for our operational employees. Our training academy, PMI, facilitates these learnerships through SETAs and with local government funding, frequently in close collaboration with our clients.

Unemployed training spend – South Africa	FY2026	FY2025	FY2024
Total learnerships and internships	316	493	639
Number of learners and interns with a disability	43	37	52

## Youth scholarship programme

Part of our corporate citizenship strategy is the youth scholarship programme. This initiative is designed to provide higher education access for the children of our employees in South Africa, with a specific focus on historically disadvantaged groups. This programme is closely aligned with our transformation policy and the objectives of the B-BBEE Act, ensuring Adcorp's ongoing commitment to meaningful economic transformation.

Since its launch in FY2024, the Youth Scholarship Programme has expanded access to tertiary education for employees' children, with investment increasing from R700 570 supporting 12 students in FY2024 to R1,3 million supporting 20 students in FY2025. In FY2026, investment amounted to R960 000, supporting 12 beneficiaries. For this period, funding was prioritised to sustain the existing cohort of students currently in the programme.

To date, over R2,99 million has been invested in these scholarships, providing life-changing opportunities and enhancing long-term career prospects and income potential for beneficiaries and their families. By enabling access to tertiary education that may otherwise be out of reach, Adcorp strengthens its EVP while contributing to meaningful socioeconomic impact and supporting the Group's B-BBEE objectives.

## Youth scholarships for employees' children (tertiary education) – South Africa

	FY2026	FY2025	FY2024
Youth scholarships	<b>R960 000</b>	R1 325 326	R700 570
Number of scholarships awarded	<b>12</b>	20	12



4

## A future built on belief: The Fumbana story



Lathitha Fumbana in the science lab

For the Fumbana family, higher education once felt like a journey shadowed by the overwhelming weight of financial responsibility. Today, that narrative has been transformed through the Adcorp Youth Scholarship Programme, an initiative that has done far more than fund a degree, it has invested in a family's legacy.

Lathitha Fumbana, currently in her third year of a Bachelor of Science in Biomedicine at Eduvos, reflects on the life-changing impact this support has had on her academic career.

**"This opportunity has changed the course of my journey," she explains. "I can now focus on my coursework, practicals, and research with clarity and determination, knowing that the constant weight of financial stress has been lifted".**

For her mother, Cynthia Fumbana, the programme brought a sense of peace that words can hardly express.

**"As a parent, there are few things more important than being able to support your child's education, and at times, that responsibility can feel overwhelming".**

**"The Adcorp Youth Scholarship Programme lifted a weight off my shoulders, bringing me immense relief and allowing my daughter to focus fully on her dreams" - Cynthia.**

This example demonstrates how Adcorp's investment in education not only supports individual learners but also uplifts employees and their families, contributing to broader, long-term socioeconomic impact.

# International labour mobility

The PALM scheme is Australia's primary temporary migration initiative designed to address critical labour shortages in rural and regional Australia as well as poverty reduction in neighbouring islands.



Built on strong partnerships between Australia, nine Pacific Island countries and Timor-Leste, namely Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu, and Timor-Leste, the scheme facilitates the recruitment of reliable workers for unskilled, low-skilled, and semi-skilled roles. This initiative is particularly vital for sectors such as agriculture, meat processing, hospitality, and aged care, where local blue collar labour supply often fails to meet demand.

The scheme operates through two distinct streams: a short-term seasonal option for up to nine months and a long-term stream for roles lasting up to four years. There are approximately 32 000 visa-holding PALM workers currently employed across Australia. These operational employees are protected by the same workplace rights and health and safety laws as Australian workers, ensuring they receive fair remuneration and dignified working conditions. To enhance worker productivity and long-term employability, the Australian government recently increased training support in FY2026, raising the subsidy for job-specific training from 40% to 60% and doubling the annual funding cap to AU\$600 per worker.

Despite these benefits, the scheme has faced significant challenges, including a reduction in participation from a peak of approximately 35 000 workers in late 2023, driven primarily by employers reverting to backpacker labour for seasonal roles, as well as negative perceptions regarding modern slavery. Since 2019, over 70 000 workers have disengaged, at times leading to illegal employment and exploitation in regional areas where operational employees may receive below-award wages. Adcorp is proactively advocating for governance reforms, engaging with politicians and Pacific Island leaders to propose improved healthcare access, increased worker mobility, and structured frameworks for changing employers. Given our significant stake in the scheme, we prioritise best practice and strong governance to protect operational employees and support re-engagement efforts.

Adcorp Australia participates in the PALM scheme through its BLU brand as an approved employer for seasonal and long-term streams. The Group fulfils all welfare obligations, including the provision of accommodation, transport, and healthcare. Encouraged by the PALM experience in Australia, Adcorp is exploring other types of labour mobility that could be added to our future product mix.



# Support for small businesses

As part of our commitment to economic transformation and B-BBEE compliance, Adcorp deliberately invests in the growth and long-term sustainability of Black-owned SMMEs through our enterprise and supplier development initiatives, focused on supporting small businesses.

## Understanding the difference between ED and SD

While they work hand-in-hand, B-BBEE legislation distinguishes between enterprise development (ED) and supplier development (SD) based on the SMME's relationship to our supply chain:

- **Enterprise development** provides targeted support to emerging Black-owned businesses to help them overcome common operational barriers, such as limited access to capital and office space. These businesses do not necessarily supply Adcorp directly; rather, we provide them with grants, financial assistance, rent-free workspace, and management mentorship to build their entrepreneurial capacity and help them enter the formal economy.
- **Supplier development** takes this empowerment a step further by integrating SMMEs (that are over 51% Black-owned with revenues up to R50 million) directly into Adcorp's own supply chain as active vendors. During the transition from an ED beneficiary to an SD partner, Adcorp layers on capacity-building, process optimisation, and financial coaching so these businesses can meet larger contract demands and scale sustainably.

## Building on last year's success

In FY2025, Adcorp invested R3,12 million to support six Black-owned SMMEs, four of which were Black women-owned. A major success story from that cycle was Lavan, an emerging catering enterprise that, with Adcorp's financial and mentorship backing, transitioned into a fully integrated supplier capable of securing external industrial contracts.

## FY2026 developments and strategic highlights

In FY2026, we continued this momentum, increasing our total combined investment into small businesses to over R4,12 million through a mix of direct grants and subsidised rental value. Adcorp's efforts on the programme expanded through the onboarding of a Black-owned catering business, Sheffs Kitchen, into its supplier ecosystem.

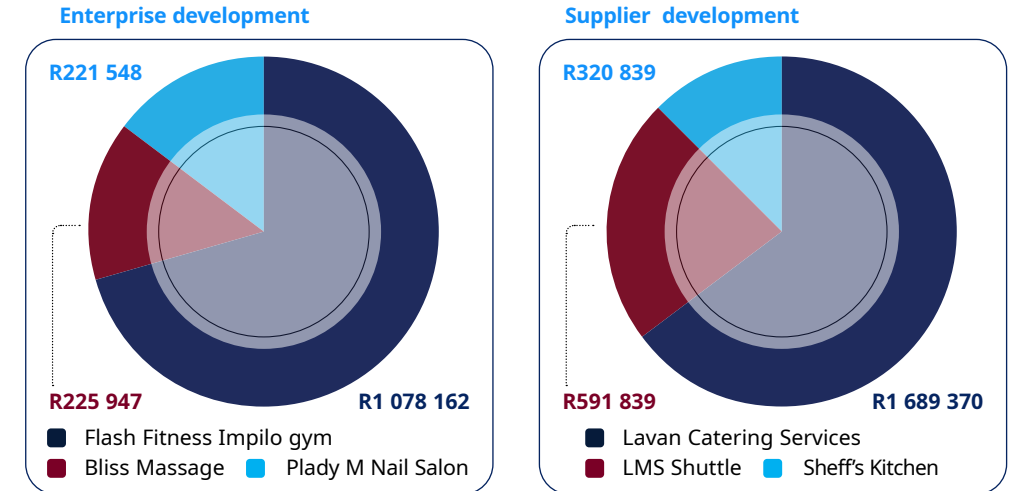
Key strategic highlights for the year include:

- **Job creation:** Our SD initiatives contributed to meaningful job creation within Lavan, reinforcing the role of small enterprises in driving inclusive economic growth.
- **New SD partnerships:** Adcorp onboarded Sheffs Kitchen, which is a small Black-owned business that was established in 2023 and has grown from a home-based operation into a functioning enterprise serving both corporate and private clients. To date, the business has created employment opportunities for individuals from previously disadvantaged communities and continues to utilise additional casual employees based on operational demand.
- **Strengthening small business sustainability:** Through continued financial and operational support, including subsidised infrastructure, we enabled small businesses to scale their operations, improve stability, and enhance their long-term viability.

## Our FY2026 beneficiaries

Adcorp management provides ongoing mentorship to support the growth of these partners, many of whom operate rent- and utility-free at our Adcorp Place head office and significantly enhance our employee experience by providing on-site services at preferential rates.

Our FY2026 investment is broken down as follows:



## SMMEs supported through ESD

	FY2026	FY2025	FY2024
ESD spend – Black-owned SMMEs	R4 127 705	R3 124 185	R3 165 877
ESD spend – Black women-owned SMMEs	R2 136 865	R2 162 321	R2 924 377
<b>Total Black-owned SMMEs supported</b>	<b>6</b>	<b>6</b>	<b>7</b>
<b>Black women-owned SMMEs supported</b>	<b>3</b>	<b>4</b>	<b>5</b>



# Support for communities

Socioeconomic development remains a fundamental pillar of Adcorp’s CSR framework in South Africa. It is one of the five elements of the B-BBEE scorecard as discussed earlier. Distinct from our ED initiatives, Adcorp’s SED programme is purely dedicated to community upliftment, youth empowerment, education, and supporting people with disabilities. Through these efforts, we seek to address persistent structural challenges, such as poverty and unemployment, by creating equitable opportunities for social and economic advancement.

Unlike conventional corporate social investment that may involve once-off charitable activities, Adcorp’s SED initiatives are structured to create measurable value. Our programmes must demonstrate a clear intent to improve livelihoods, enhance employability, and facilitate meaningful participation in the formal economy. Adcorp’s SED programmes are implemented across various critical sectors where the organisation is well-positioned to exert meaningful influence.

## Strategic reallocation and maximising impact in FY2026

Adcorp undertook a strategic review of its social investment partnerships to strengthen impact, accountability, and alignment with community needs. This process enabled the Group to prioritise partnerships that demonstrate measurable outcomes and deliver meaningful, sustained benefits to the communities we serve.

## Our FY2026 beneficiaries

During the reporting period, Adcorp focused on education and skills development programmes for youth. A key highlight of our strategic funding reallocation was the introduction of a new social impact partner, Waveland. Receiving an investment of R337 000, Waveland is a football organisation focused on uplifting children in townships.

We also sustained our vital support for established community partners that are making a measurable difference, including:

- **All4Youth:** R530 000
- **Girls and Boys Town:** R184 000
- **Employability (Vulindlela):** R84 000

By refining our partnerships and demanding greater accountability from our initiatives, Adcorp continues to champion inclusive economic development and improve the lives of vulnerable individuals and families across South Africa.



During FY2026, Adcorp contributed the following amounts to communities. These amounts exclude indirect costs, like rent and utilities that some of our partners receive.

	FY2026 Rand	FY2025 Rand	FY2024 Rand
<b>Spend on communities</b>			
CSR/SED spend on education	867 000	843 333	816 666
CSR/SED spend on skills development, including adult basic education and training	6 551 650	7 610 928	7 656 621
CSR/SED spend on NPOs that focus on the homeless and children and adults with disabilities	268 000	168 000	168 000
ESD spend (i.e. support to small business)	4 127 705	3 124 185	3 165 877
<b>Total value of CSR/SED/ESD spend</b>	<b>11 814 355</b>	<b>11 746 446</b>	<b>11 807 164</b>



# Volunteerism and charitable giving

Adcorp's commitment to volunteerism is a key part of our corporate citizenship strategy and a vital component of our EVP. We believe that active participation in community service fosters a sense of purpose and belonging, strengthens interpersonal relationships, and enhances brand loyalty among our employees.

## Strategic enhancements in FY2026

In FY2026, we introduced a centralised budget for volunteerism to ensure greater impact, equity, and brand visibility. This shift ensures that the Group provides the necessary financial support for materials and supplies, rather than requiring permanent employees to self-fund their contributions.

Furthermore, while all global permanent employees remain entitled to one paid volunteer leave day per financial year, we have enhanced the visibility of this benefit. The financial value of utilised volunteer leave will soon reflect on each employee's TRS, reinforcing the Group's investment in social impact.

## Volunteerism performance metrics

During the reporting period, 88 employees utilised 71 volunteer days, at an estimated financial value of R165 340. While overall participation decreased compared to the 101,5 days recorded by 136 employees in FY2025, our regional initiatives remained highly focused on meaningful engagement and charitable giving.

### Sponsorships and charitable giving

	FY2026
<b>South Africa</b>	
Sponsorships	R281 379
Charitable giving	R55 589
<b>Australia</b>	
Sponsorships	-
Charitable giving	R49 725

## South Africa

In South Africa, our CSR champions empowered teams to support 'personalised causes', including education and child development, food security, child wellbeing, and environmental charities. A major highlight was our Mandela Day impact, where teams participated in painting, refurbishing, and food packaging for various organisations, including:

- Frida Hartley Shelter and TLC Children's Centre.
- Casa do Sol School and Durbanville Children's Home.
- FoodForward SA, Rays of Hope Foundation, Operation Bobbi Bear, and Ubuntu House.

The total year-to-date value of charitable giving in South Africa amounted to R55 589. In addition, employees from our PMI brand, in partnership with the Santa Shoebox initiative, donated 12 boxes to Bright Star in Cape Town. Each box was valued at R500.

Volunteerism	FY2026	FY2025
Financial value of employee volunteerism	R131 387	R191 857
Volunteer days taken <sup>1</sup>	62	101,5
Number of employees who took volunteer leave	75	136

1. Volunteer days can be taken as half days or full days.

## Australia

Volunteerism in Australia is now centrally coordinated by the ESG champion in partnership with HR and marketing to ensure alignment with Group CSR priorities. Key initiatives included:

- **Ronald McDonald House:** Participation in the 'Make a Meal / Heart Programme' across Melbourne, Victoria, and Queensland.
- **Community support:** A charity walk organised by Woolworths in New South Wales and meal provision for the homeless through BLU in Melbourne.

The year-to-date value of charitable giving in Australia reached R49 725.

### Volunteerism

	FY2026
Financial value of employee volunteerism	R33 953
Volunteer days taken <sup>1</sup>	9
Number of employees who took volunteer leave	13

1. Volunteer days can be taken per hour.

# 04 SUPPLEMENTARY INFORMATION

## Glossary of terms

Abbreviation	Description
ACI	African, Coloured, and Indian (South African demographic classifications that define the legal category of Black people, utilised to measure progress against employment equity sectoral plans and broad-based black economic empowerment transformation targets)
ADSafe	Adcorp Health and Safety tool (a digital tool utilised to log, track, and manage operational incidents and safety compliance across South Africa, while the Australian operations utilise a controlled software as a service platform)
AME	Africa and the Middle East (primary geographical expansion regions outlined under the Adcorp Horizon strategy)
ARC	Audit and risk committee (a board committee responsible for oversight of financial controls, external auditor relationships, risk management, compliance governance, and IT and data security)
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: <ol style="list-style-type: none"> <li>1. Stakeholders</li> <li>2. ESG</li> <li>3. DEIB</li> <li>4. CSR</li> </ol>
CSR	Corporate social responsibility (the Group's commitment to generating positive social and economic impact through targeted programmes, ethical partnerships, and volunteerism to support communities)
DEIB	Diversity, equity, inclusion, and belonging (a company's efforts to create a diverse and inclusive workplace)
DEIB committee	Diversity, equity, inclusion, and belonging committee (creates a safe space for open dialogue and learning, ultimately contributing to a more diverse and equitable workforce)
DMA	Double materiality approach (a methodology that evaluates both impact materiality and financial materiality to determine the matters that are most significant to the organisation and its stakeholders)
ED	Enterprise development (initiatives aimed at supporting the growth and development of emerging businesses, particularly those owned by historically disadvantaged groups)
EEA	Employment Equity Act (South African legislation enacted to achieve equity in the workplace by promoting equal opportunity and fair treatment)
ERM	Enterprise risk management (a structured framework used to identify, assess, and mitigate operational risks across the Group)
ESD	Enterprise and supplier development (the combination of enterprise development and supplier development initiatives aimed at driving financial and operational sustainability for Black-owned SMMEs)
ESG	Environment, 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)

Abbreviation	Description
EXCO	Executive committee (the senior leadership team responsible for operational execution, corporate strategy, and the daily management of the Group)
GBV	Gender-based violence (harmful acts directed at an individual based on their gender)
HCC	Human capital committee (a board committee responsible for overseeing human resources, nomination and remuneration matters)
HVAC	Heating, ventilation, and air conditioning (the environmental climate-control systems used in large buildings)
IAR	Integrated annual report (the primary yearly report that details the Group's financial, operational, and strategic performance for stakeholders)
INVESTCOM	Investment committee (a board committee responsible for overseeing capital allocation, assessing the viability of strategic transactions, and making recommendations to the Board)
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 200 000 person-hours worked)
PALM	Pacific Australia Labour Mobility (a temporary labour migration scheme that allows approved Australian employers to hire workers from Pacific Island countries and Timor-Leste to address structural labour shortages)
PV	Photovoltaic (relating to the conversion of light into electricity using semiconducting materials)
SD	Supplier development (targeted procurement initiatives aimed at building the operational capacity and commercial capabilities of existing vendors, specifically historically disadvantaged groups, to strengthen the supply chain of the Company)
SDGs	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)
SESCoM	Social, ethics, and sustainability committee (a board committee responsible for oversight of organisational ethics, corporate citizenship, sustainable development, health and safety, and stakeholders)
SETA	Sector education and training authority (a South African statutory body responsible for managing and distributing skills development tools, training levies, and sector-specific funding)
SHEQ	Safety, health, environment, and quality (a management system that integrates these four aspects of business operations)
SMME	Small, micro and medium-sized enterprises (businesses with fewer than 200 employees)
TRIFR	Total recordable injury frequency rate (a measure of the number of work-related injuries per 200 000 person-hours worked, under the Australian standard, first aid cases are excluded)
TRS	Total rewards statement (a comprehensive personal statement that clarifies the total financial and non-financial value an employee receives from the Company)

# Corporate information

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Listed: 1987

Share code: ADR

ISIN: ZAE000000139

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