ESG material matters and risks

To inform the Group's ESG strategy, Raubex conducted a materiality assessment to map the ESG landscape and determine the matters most relevant to value creation and long-term growth. The process was complemented by engagement with internal and external stakeholders to identify and prioritise sustainability issues across the value chain.

The Group's top 10 risks are set out on page 29 of the Integrated Report.

The material ESG issues below reflect the matters that may influence Raubex's growth profile and its exposure to risk and opportunity, and that are considered important by our key stakeholders. These issues have been incorporated into the ESG strategy to ensure they are systematically evaluated, monitored and managed.

Environmental

1 Climate action
2 Energy use
3 Water management
4 Waste management
5 Biodiversity management

Social

6 Human capital
7 Human rights
8 Occupational health, safety and well-being
9 Community health and safety
10 Industrial action
11 Local community unrest

Governance

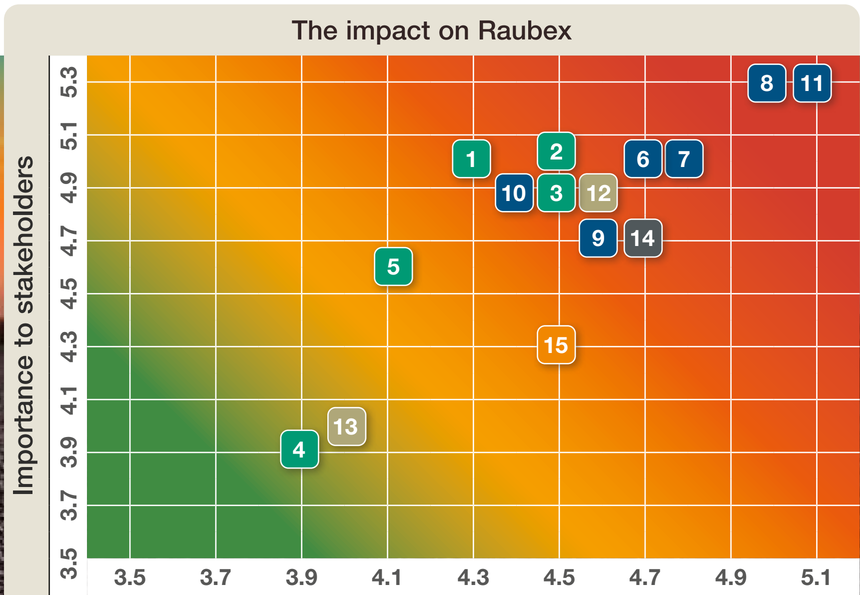
12 Anti-bribery and corruption
13 Data and IT security

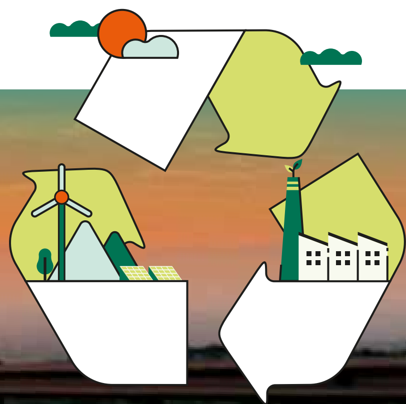
Quality Management

14 Quality management

Supply Chain Management

15 Sustainable and responsible sourcing





ESG material matters and risks (continued)

The ESG strategy has enabled a comprehensive approach to addressing ESG responsibilities as follows:

Occupational Health and Safety: We are committed to a Zero Harm culture; protecting the health and safety of our people and the communities within which we work is fundamental to operational excellence and sustainable performance.

Our employees: We invest in our people by building capability, supporting development and progression, and maintaining a safe, productive, and inclusive workplace free from discrimination and bias.

Assurance: We uphold high standards of quality, safety, and compliance through robust systems, continuous improvement, and independent assurance to maintain trust and reliability.

Diversity: We foster an inclusive culture that values different perspectives, promotes equal opportunity, and enables everyone to thrive.

Climate change and carbon management: We strengthen our climate resilience by measuring and managing GHG emissions (Scopes 1 to 3), improving energy efficiency, and progressing practical initiatives that support the transition to a lower-carbon economy.

Water stewardship: We optimise water use by improving efficiency, increasing reuse and recycling, reducing waste, and protecting this scarce resource.

Stakeholder engagement: We engage proactively with internal and external stakeholders to maintain open, transparent communication and to strengthen relationships across our value chain.

Consistent with the governance outcomes and recommended practices of King IV™ and the disclosure requirements of IFRS S1, and with due regard to IFRS S2 and the recommendations of the TNFD, the Group identifies, assesses, and discloses material sustainability-related risks and opportunities. This includes climate- and nature-related dependencies, impacts, risks and opportunities, and the manner in which these may reasonably be expected to affect the Group's governance, strategy, risk management, and financial performance over the short, medium and long term. The Group's disclosures are intended to provide decision-useful information to providers of capital and other key stakeholders and to support transparent, accountable engagement.

ESG material risks

The Group's material risks and opportunities are set out on pages 28 to 35 of the Integrated Report. Below are extracts of the material risks that pertain to ESG-related matters. For ease of reference, the risk number correlates with the risk number in the Group's risk register.

– Unchanged | ^ Risk increase | ˅ Risk reduction

Risk description	Previous risk rating	Mitigation of risk	Risk movement	Current risk rating
1 Local community unrest/business forums causing work stoppages				
Raubex operates in locations throughout South Africa where projects are subject to the risk of social unrest, which leads to unsafe working conditions for employees, project delays, lower production and damage to equipment. The risk is associated with criminal elements, illegal occupation of construction sites and soliciting protection money from businesses. There are ongoing instances of work stoppages and standing time as a result of disruptions caused by criminal elements within communities illegally occupying construction sites in a bid to solicit protection money from businesses.	Major	• A Group policy on responding to labour and community unrest was developed. • The Group continually engages with local labour and communities through project consultants and community liaison officers. • Communities are engaged before site establishment to manage expectations relating to the work and contract participation goals. • Ongoing engagement with professional bodies, Government and SAPS in addressing the unrest. • Police Task Team headed by the SAPS has been established by the Government. • Risk assessments are performed before the start of contracts to ascertain the safety of our personnel.	–	Major
2 Loss of critical skills				
Loss of critically skilled personnel to competitors in the industry as their order books increase, as well as the emigration of experienced and skilled personnel.	High	• Continuous engagement with key personnel and the implementation of retention policies to retain critical skills. • Long-term retention scheme implemented for personnel with critical skills. • Talent management processes implemented for recruiting, training and retention of skilled individuals.	–	High
5 Impact of unscheduled power outages on business operations				
Unscheduled power outages/ loadshedding has a serious impact on the Group's business operations that rely on continuous electricity supply. The use of back-up electricity systems has resulted in a significant increase in the running cost of operations due to the increase in fuel/diesel usage.	High	• Contingency plans are in place to make up for lost production or lost activity. • Back-up systems are in place to secure business information and business continuity. • Back-up electricity supply such as generators, solar power, UPS systems, etc. are in place.	˅	Moderate

ESG material matters and risks (continued)

Emerging risks

Please refer to the Integrated Report on pages 34 and 35 for the full emerging risks register.

1. **Growth and expansion into new markets**
2. **Foreign currency exposure risk**
3. **Cyber-attacks including data fraud or theft**
4. **Supply chain delays affecting logistics and the procuring of machinery**
5. **Climate action and the reduction of our carbon footprint in alignment with global standards**
6. **Quality of aggregates of third parties**
7. **Cash flow risk due to increased business operations**

Insurance

The Group has a comprehensive insurance programme to protect against a wide variety of insurable risks. External advisors are consulted to advise on the appropriate type and level of cover. The terms and levels of each facility are reviewed annually to ensure that satisfactory cover is in place.

Fraud hotline

Raubex is committed to conducting business in accordance with sound ethical and legal practice and applies a zero tolerance approach to collusive, fraudulent and corrupt conduct. The Group's Code of Business Conduct and Ethics is binding on all personnel and sets out clear legal and ethical standards, supported by policies and procedures, training and awareness initiatives, and defined consequences for non-compliance. As part of its governance oversight, the Social and Ethics Committee monitors ethics and anti-corruption risks through management reporting, and the Audit Committee monitors oversight of the fraud programme, including trends in allegations and investigations, and the operation of independently administered reporting channels and related follow-up processes.

We are committed to the highest standards of ethical behaviour in our business conduct. An Anti-Fraud and Corruption Policy are in place to ensure consistent and effective investigation, reporting and disclosure of fraud and corruption within the Group. For this reason, the Group subscribes to a service which enables all stakeholders, but more specifically employees, to report anonymously on any fraud or unethical behaviour.

Raubex makes use of professional services firm Deloitte, which is independently managed. Reported cases are investigated, and the outcomes are reported to the Audit and the Social and Ethics committees.

The contact details for the Raubex Group fraud line are set out below:

South Africa Toll-free:
0800 205 314

Namibia Toll-free:
0800 015 005

Australia Toll-free:
1 800 633 293

Zimbabwe:
+263 24 2799916

Botswana:
71119 602 (Mascom)
0800 600 644 (BTC)
1144 (Orange)

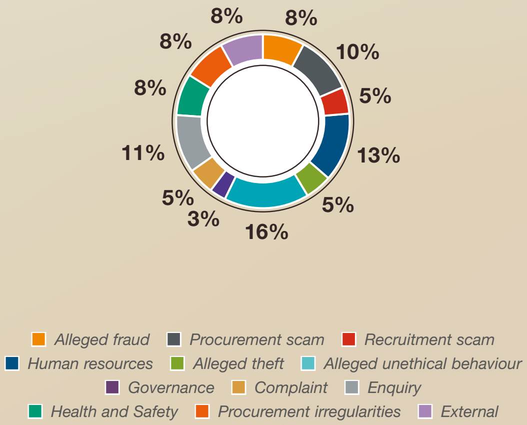
Email:
raubex@tip-offs.com

Website:
www.tip-offs.com

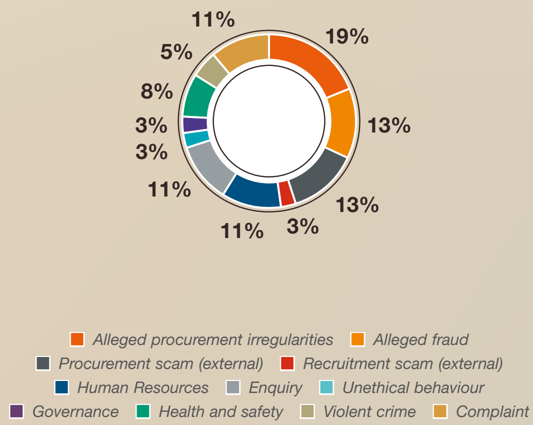
FreeFax:
0800 00 77 88
(free for South Africa only)

FreePost:
KZN 138
(free for South Africa only)
Umhlanga Rocks, 4320

Summary of reported cases FY2026



Summary of reported cases FY2025



Number of reported cases for FY2026:
38 (2025: 37)

Number of cases investigated and closed out for FY2026:
37 (2025: 37)

Opportunities

Raubex applies an integrated approach to risk and opportunity management that considers both potential adverse impacts and the opportunity to create sustainable value. In accordance with IFRS S1, the Group evaluates material sustainability-related risks and opportunities, including those that may not be captured within the current risk register, and considers their potential effects on strategy, business model, and financial performance over the short, medium, and long term. The Board, together with Exco, provides oversight and direction in identifying and prioritising these strategic opportunities.

Our risk management approach balances the traditional negative view of risk with one that recognises the potential business opportunities inherent in some of the risks. We also recognise opportunities that do not always originate from the current risks identified by the Group. The Board, together with Exco, considers various other opportunities when setting the strategic direction for the Group.

Despite tough trading conditions, the Group has maintained a strong balance sheet and healthy cash position throughout the period and is well positioned to participate in current and future opportunities in the South African market.

Raubex continuously reviews its strategic objectives to identify opportunities to further enhance performance.

Commitment to transformation

We are committed to transformation and the development of our employees. Our transformation agenda supports the Government's initiatives, which seek to address the inequalities of the past and to make the South African economy more inclusive of HDSAs. To ensure sustainability, we strive to continue making progress in improving our B-BBEE credentials as measured by the B-BBEE scorecard set out on page 56 of this report.