Remgro Limited

INTEGRATED
ANNUAL REPORT
2023

OUR LEADERSHIP philosophy

- I create a **more inclusive** and **diverse culture**
- I am a **credible** and **inspiring** leader
- I build capacity for **collaboration** and **partnering**
- I create **process, innovation** and entrepreneurial **excellence**

THE STORY
of our design

Remgro embarked on a "Staying Future Fit" change management programme in 2020 to develop and embrace the future as a team; our "reset".

In **2021,** we began our journey of telling this exciting Remgro Story through our design.

In **2022,** we built on this foundation to reflect the progress, change and ongoing evolution within Remgro in support of our Story.

In **2023,** our design evolution reached its three-year apex and is revealed as a developed, modern, and mature representation of how far we have come as a Company and as a team. It reflects who we are now.

Welcome to our 2023 Integrated Annual Report.

"Our purpose remains to shape the future and partner for South Africa's prosperity."
– Johann Rupert

We are proud of the progress Remgro has made in executing our programmes. We remain committed to, and engaged with, our corporate citizen mandate and values driven ethos.

OUR roots

Trusted partnership

Strength through **inclusivity** and **diversity**

Do the **right thing**

Excellence in all we do

Innovative and **entrepreneurial** spirit

We are proud of Remgro's employees' attitude, approach, work ethic, shared values and performance. This is supported by:

- Individual conversations
- Personal development
- Performance monitoring
- Reward tools

Our journey continues...

CONTENTS

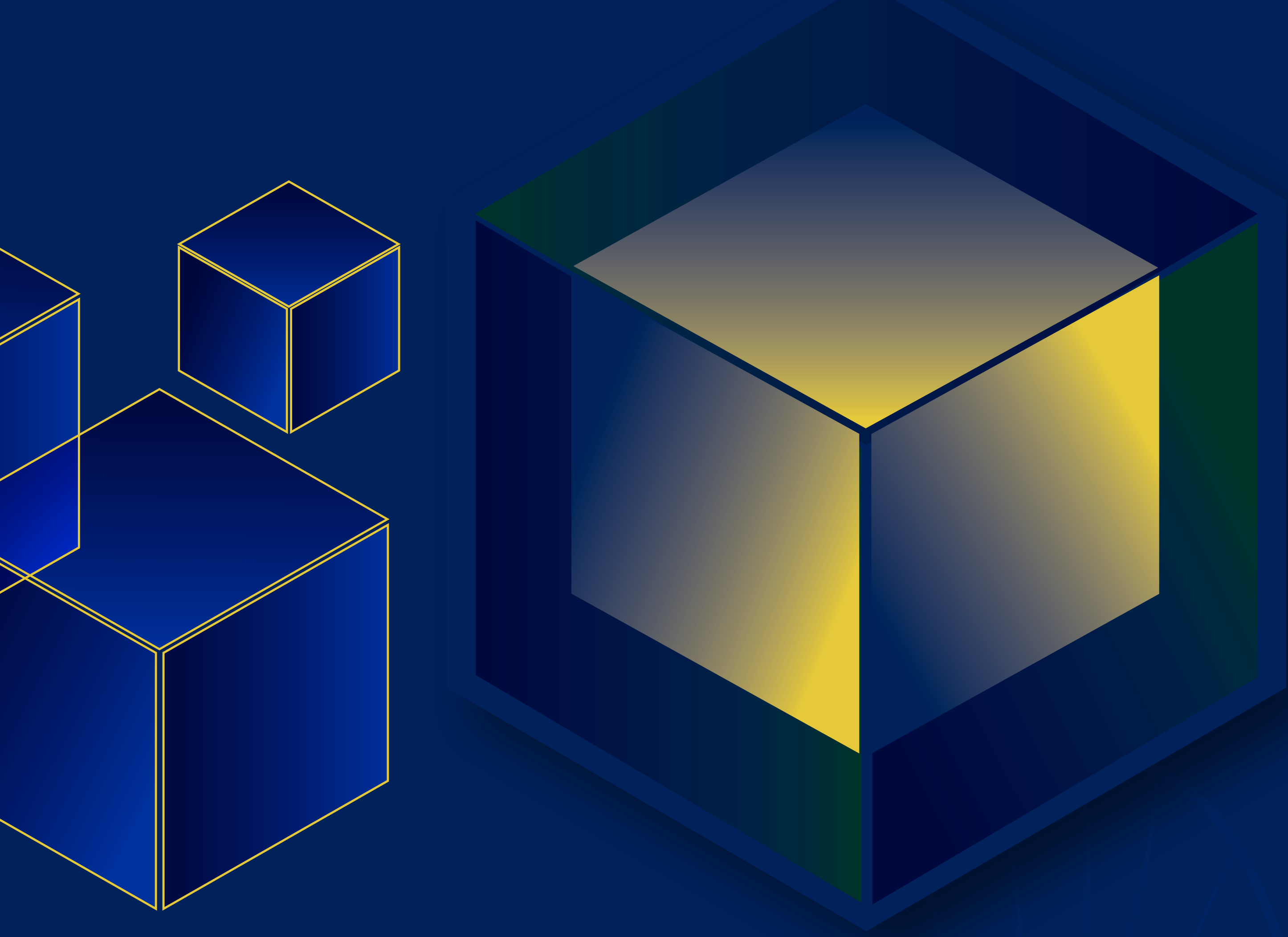
01 Overview of **business**

02 Reports to **shareholders**

03 ESG and sustainability

04 Financial report

05 Additional information



OVERVIEW of business

Remgro invests in reputable businesses that are aligned with its values and purpose, with sound management teams that have the potential to deliver superior earnings, sustainable cash flow generation and dividend growth over the long term.

REMGRO'S APPROACH to reporting

The 2023 Integrated Annual Report provides a holistic view of Remgro's business model, how the Company is managed, its approach to Environmental, Social and Governance (ESG) matters across the Group through its investee companies and the responsible stewardship of its investments. In this regard our main focus is to provide a complete analysis of our business to satisfy the information needs of key stakeholders.

The information presented aims to provide our stakeholders with a good understanding of the financial, social, environmental and economic impacts of the Group to enable them to evaluate our ability to create sustainable value for stakeholders. Remgro believes that the optimal approach to progress Remgro's sustainability agenda is by partnering with all our investee companies to implement ESG principles across the Group through each investee company and its respective value chain.

In order to ensure that we address all the material issues that matter to us, our shareholders and other stakeholders, we report on matters such as:

- Our business model;
- Our ESG and sustainability strategy;
- Our most significant business risks and opportunities, as identified through our integrated risk management process; and
- Governance processes.

Reporting suite

Remgro's reporting suite information is set out below, detailing the assurances obtained and frameworks applied to each report.

Integrated Annual Report

Applied principles and frameworks

- IIRC <IR> Framework
- King IV Report on Corporate Governance for South Africa (2016) (King IV)
- Companies Act (No. 71 of 2008), as amended (Companies Act)
- JSE Limited (JSE) Listings Requirements

Assurance obtained

- Reviewed by:
  - Management
  - Internal audit/Finance
  - Audit and Risk Committee
  - Board
  - JSE sponsor

ESG and Sustainability Report

Applied principles and frameworks

- Task Force on Climate-Related Financial Disclosures (TCFD) recommendations
- Benchmarked against FTSE Russell (FTSE4Good Index Series) criteria
- Utilised the GRI Standards as a guideline and also the JSE disclosures guidance
- CDP (formerly Carbon Disclosure Project) verification of certain non-financial indicators criteria

Assurance obtained

- Reviewed by:
  - Operational ESG Committee
  - Management
  - Internal audit/Finance
  - Strategic ESG Committee
  - Social and Ethics Committee
  - Audit and Risk Committee
  - Board

Consolidated Annual Financial Statements

Applied principles and frameworks

- International Financial Reporting Standards (IFRS)
- Companies Act
- JSE Listings Requirements

Assurance obtained

Independent audit opinion by PricewaterhouseCoopers Inc.

Annual and interim results presentation

Applied principles and frameworks

Not applicable

Assurance obtained

- Reviewed by:
  - Management
  - Finance
  - Investor Relations

BBBEE certificate

Applied principles and frameworks

The Department of Trade, Industry and Competition's generic Code of Good Practice

Assurance obtained

AQRate Proprietary Limited

Remgro is an investment holding company and accordingly all references to "the Group" in this context denote the Company and its subsidiaries.

The King IV Report on Corporate Governance for South Africa (King IV), which was published on 1 November 2016, contains a set of principles that are fundamental to good governance, as well as related leading recommended practices. The JSE Limited has incorporated certain of King IV's recommended practices in the JSE Listings Requirements, with the effect that some of King IV's recommended practices are in fact mandatory in respect of companies listed on the JSE (such as Remgro). The Board is satisfied that the Company has applied the principles contained in King IV during the year under review. The Corporate Governance Report on page 76 explains how Remgro has applied the principles enumerated in King IV with reference to Remgro's own practices.

Reporting boundaries

1 Integrated reporting boundary

Includes the financial and non-financial boundaries as explained hereafter. Furthermore, material matters as they relate to stakeholder concerns, risks and opportunities and governance matters are included in the disclosures of this report.

2 Financial boundary

Remgro is an investment holding company and accordingly all financial data in the summarised financial statements includes associates and joint ventures on an equity accounted basis and subsidiaries on a consolidated basis.

The intrinsic net asset value of the Group includes valuations of all investments, incorporating subsidiaries and associates and joint ventures, either at listed market value or, in the case of unlisted investments, at *IFRS 13: Fair Value Measurement* valuation.

Refer to page 21.

3 Non-financial information boundary

Data relating to the social and environmental performance of subsidiaries, associates and joint ventures, over which Remgro does not exercise operational control, are not covered in detail in this report.

Except where otherwise indicated, all disclosures relating to social and environmental performance thus only relate to Remgro's activities at its head office in Stellenbosch.

Scope and boundaries of our report

Remgro is an investment holding company and accordingly all references to "the Group" in this context denote the Company and its subsidiaries. Disclosure is therefore limited to those entities where Remgro exercises control over the financial and operating policies of such entities, save where those entities disclose the relevant information in their own publicised annual reports.

Remgro has four main operating subsidiaries, i.e. RCL Foods Limited (RCL Foods), Siqalo Foods Proprietary Limited (Siqalo Foods), Wispeco Holdings Proprietary Limited (Wispeco) and Capevin Holdings Proprietary Limited (Capevin). As RCL Foods is listed on the JSE, detailed information regarding its financial and non-financial performance is available on its website at www.rclfoods.com.

Siqalo Foods, Wispeco and Capevin are unlisted subsidiaries which are operated and managed on a decentralised basis as independent entities with autonomous boards of directors. On 26 April 2023, Capevin, which held Distell Group Holdings Limited's (Distell) remaining assets, including its Scotch whisky business, was unbundled by Distell after the combination of the Heineken International B.V. (Heineken) Southern African business, including an interest in Namibia Breweries Limited (Namibia Breweries), with the bulk of the Distell business (consisting of its cider, other RTDs (ready-to-drink) and spirits and wine business). Based on the above, as well as the fact that Siqalo Foods, Wispeco and Capevin represent only 4.3%, 1.0% and 1.1% of Remgro's intrinsic net asset value, respectively, only summarised "non-financial" disclosure relating to social and environmental performance will be provided for Siqalo Foods and Wispeco, whereas Capevin's social and environmental performance will be provided in due course. This is in line with Remgro's reporting on the financial performance of its investee companies.

ESG and sustainability reporting

In line with expectations of how ESG performance should be reported upon in practice, Remgro aims to provide transparent and accurate disclosures on its metrics and improvements made against internationally recognised standards.

In the 2022 Integrated Annual Report, we committed to the creation of a schedule to measure Remgro's ESG progress and reporting against defined targets and metrics. In fulfilment of our commitment, this year Remgro has prepared disclosures aligned to the Task Force on Climate-Related Financial Disclosures (TCFD) framework recommendations.

As a market-driven initiative to develop recommendations for voluntary and consistent climate-related financial risk disclosures, TCFD is helping us to address climate change effectively across the Remgro Group and the companies in which we invest to minimise investment risk and maximise opportunities from the energy transition.

One of the elements in creating a group-wide ESG framework has been the assessment of the level of ESG maturity throughout Remgro's investee companies conducted during the first half of 2023 which will be used by Remgro to improve ESG metrics and disclosures and increase the scope of ESG reporting across the Group over the course of the coming year. This will enable us to better set goals in the future.

Significant events during and after the end of the reporting period

On 6 June 2023, Remgro and MSC Mediterranean Shipping Company SA acquired the entire issued ordinary share capital of Mediclinic Group Limited (Mediclinic), other than the Mediclinic shares Remgro already owned. Mediclinic shareholders received 501 pence per Mediclinic share. Remgro invested a further £221 million and increased its interest in Mediclinic from 44.6% to 50.0%.

On 26 April 2023, the Heineken Southern African business, including an interest in Namibia Breweries, combined with the bulk of the Distell business (consisting of its cider, other RTDs and spirits and wine business) in Heineken Beverages Holdings Limited (Heineken Beverages). Remgro received a 15.5% interest in Heineken Beverages and has subsequently increased its interest to 18.8%. Distell simultaneously unbundled its subsidiary, Capevin, which held Distell's remaining assets, including its Scotch whisky business, and Remgro received an economic interest of 31.4% in Capevin.

Refer to the report of the Chief Executive Officer on page 21 for a brief summary of these transactions. Besides the transactions above, no other significant events occurred during the reporting period or after the end of the reporting period, which may have a material impact on the size, structure or ownership of the Group.

Board approval statement

The Board, supported by the Audit and Risk Committee, acknowledges its responsibility to ensure the integrity and completeness of the report. The Board applied its collective mind to the preparation and presentation of the report. We believe that the report has been prepared in accordance with the International Integrated Reporting Framework and it provides a balanced and appropriate representation of the Company.

The Board approved the 2023 Integrated Annual Report on 20 September 2023.

Remgro aims to provide **transparent** and **accurate** disclosures on its **metrics** and **improvements** made against internationally recognised standards.

SALIENT features

1 254 CENTS
(UP BY 8.9%)

Headline earnings
per share

240 CENTS
(UP BY 60.0%)

Ordinary dividend
per share

R248.47
(UP BY 16.6%)

Intrinsic net asset value
per share

Financial

	30 June 2023	30 June 2022	% change
Headline earnings (R million)	**7 056**	6 494	*8.7*
– per share (cents)	**1 254**	1 151	*8.9*
Dividends per share			
Ordinary (cents)	**240**	150	*60.0*
– Interim (cents)	**80**	50	*60.0*
– Final (cents)	**160**	100	*60.0*
Intrinsic net asset value per share (R)	**248.47**	213.10	*16.6*
Remgro share price at 30 June (R)	**147.05**	129.91	*13.2*
Percentage discount to intrinsic net asset value (%)	**40.8**	39.0	*(180bps)*

Other information

	30 June 2023	30 June 2022
Spent on corporate social investment (CSI) at the centre (R million)	**36**	26
BBBEE scorecard contributor level	**7**	4
Continued participation in CDP (formerly Carbon Disclosure Project)	**Yes**	Yes
Inclusion in FTSE/JSE Responsible Investment Index	**Yes**	Yes

Scan to view our 2023 results presentation

OUR BUSINESS model

How our investments are managed

Remgro has a few operating subsidiaries of which the material companies are RCL Foods Limited (listed), Siqalo Foods Proprietary Limited (unlisted), Wispeco Holdings Proprietary Limited (unlisted) and Capevin Holdings Proprietary Limited (unlisted). Remgro's other investments comprise both listed and unlisted companies that are not controlled by Remgro and which are mostly associates and joint ventures due to the significant influence or joint control exercised by Remgro through board representation in those investee companies.

Notwithstanding the level of influence or control, Remgro has adopted a philosophy of decentralised management, which means that its investee companies have autonomous boards of directors and management structures, while Remgro exerts its influence through non-executive representation on the boards of these companies. Remgro's involvement is thus mainly focused on the provision of support and oversight rather than on being involved in the day-to-day management of its investee companies.

The Remgro Limited Board considers it in the best interest of all the parties concerned to respect the decentralised business model and the fact that these businesses are conducted in separate legal entities. The support derived by investee companies from Remgro as a shareholder includes strategic direction, patient financial capital, managerial support through access to Remgro's broad and diverse network of human capital, and the creation of an environment conducive for corporate transactions. The support provided by Remgro serves to enable investee companies to achieve their relevant growth strategies and targets. This includes a newly formed Remgro Collaboration Network which provides a structure for Remgro and its investee companies to collaborate and share knowledge across various functions (e.g. human resources, corporate social investment, energy, ESG etc).

Shareholder agreements are in place for Remgro's associates and joint ventures where there are also other major shareholders involved. These agreements serve as a mechanism to protect Remgro's rights as a shareholder and manage any associated risks. In terms of these agreements Remgro has decision-making involvement for a defined list of material matters of the businesses of these entities, such as the appointment or removal of directors, capital structure, business strategy, large capital expenditure and mergers, acquisitions and disposals.

Where Remgro does not have the right to board representation, such investments are classified as portfolio investments (investments at fair value through other comprehensive income).

As a responsible steward of its investee companies, Remgro also exercises its influence to ensure, as far as possible, that the entities concerned adhere to its requirements in respect of matters such as governance, internal controls, financial management, risk management, legal compliance, social responsibility, safety, health and environmental management, internal audit, ethics management, information management, stakeholder relationships, succession planning and sustainability. To further advance our sustainability agenda, Remgro aims to partner with all its investee companies across their value chains to encourage and influence sustainable behaviour through Environmental, Social and Governance (ESG) principles that seek to achieve common and collective sustainability goals.

Ownership structure

Remgro's issued share capital consists of two classes of shares, as follows:

Ordinary shares of no par value
Listed on the JSE

529 217 007 ordinary shares of no par value

Each ordinary share has one vote

B Ordinary shares of no par value
Unlisted

39 056 987 B ordinary shares of no par value

Each B ordinary share has 10 votes

All of the unlisted B ordinary shares are held by Rupert Beleggings Proprietary Limited, a company incorporated in South Africa which is the holding vehicle for the Rupert family interests in Remgro. As at 30 June 2023, the unlisted B ordinary shares were entitled to 42.91% (2022: 42.66%) of the total votes of shareholders of the Company.

An analysis of major shareholders appears on pages 167 and 168.

Investment philosophy

Remgro invests in reputable businesses that are aligned with its values and purpose, with sound management teams that have the potential to deliver superior earnings, sustainable cash flow generation and dividend growth over the long term. Remgro forges strategic alliances on a partnership basis and adds value through its extensive network of human capital.

As a values-led business, Remgro acknowledges its critical role of responsible stewardship to manage its assets and pursue new investments in line with its ESG Investment Policy and ESG Investment Framework. Our responsible investment principles drive our investment decision-making to deliver sustainable financial returns whilst fostering a positive, measurable ESG impact.

We strive to ensure impact is purposefully integrated throughout the investment lifecycle and where sustainable value can be generated over the long term through a continuous focus to improve ESG performance. Remgro is committed to helping its investee companies shape their approach to ESG to ensure our investments reflect our ambition to create environmental, social and economic change throughout our ecosystem.

Remgro plans to measure its progress as it implements its ESG strategy through the provision of transparent and accurate ESG metrics and disclosures, aligned to internationally and locally recognised standards. This will enable us to better set goals in the future.

Investment criteria *(inter alia)*

- Expected return on investment in excess of Remgro's internal minimum rate of return
- Investment decisions driven by Remgro's responsible investment principles
- Prevailing culture and ethics of the Board and management team
- ESG strategy and impact of the enterprise, and an ESG profile in accordance with Remgro's requirements and standards
- Viability of products and services and their lifecycles
- Barriers to entry

Remgro's investment strategy

- Investments in entities where Remgro can identify sustainable value over the long term
- Preference for unlisted investments
- Emphasis on investments that deliver superior financial returns, whilst fostering a positive, measurable social and/or environmental impact
- Investments that align with Remgro's values and purpose to create sustainable stakeholder value
- Standard Operating Procedure for investment managers to integrate ESG into their investment decisions
- Significant influence and board representation are integral
- Focus on South African investments and other African countries through investee companies
- Will consider investments in other countries on an opportunistic basis
- Primary sector focus:
  - Healthcare
  - Consumer products
  - Financial services
  - Infrastructure

GROUP PROFILE
Group structure at 30 June 2023

Remgro Limited principal investments – equity interest held

Originally established in the 1940s by the late Dr Anton Rupert, Remgro's investment portfolio has evolved substantially and currently includes investee companies across nine platforms. The Company is listed on the Johannesburg Securities Exchange (JSE), operated by the JSE Limited in South Africa under the "Financials – Financial Services – Investment Banking and Brokerage Services – Diversified Financial Services" sector, with the share code "REM". From 3 January 2022, the Company also has a secondary listing on the A2X.

Remgro's interests consist mainly of investments in the healthcare, consumer products, financial services, infrastructure, industrial and media industries.

Our interests consist mainly of investments in the following industries:

Industrial

- Air Products – 50.0%
- TotalEnergies – 24.9%
- Wispeco Aluminium – 100.0%
- PGSI Limited – 37.7%

Diversified investment vehicles

- kth – 43.5%
- Prescient – 42.4%
- Milestone Capital – 28.1%
- invenfin – 100.0%
- Pembani • Remgro Infrastructure Fund – 16.2%
- Asia Partners – 6.5% (Fund I), 10.0% (Fund II)

Media

- e – 32.3%

Portfolio investments

- FirstRand – 2.2%
- Discovery – 7.8%
- Momentum Metropolitan – 9.1%
- BAT – 0.1%

Social impact investments

- Bulls (4) – 50.0%
- Stellenbosch Academy of Sport – 100.0%
- Stellenbosch Football Club – 100.0%

Treasury and management services

- Remgro Finance Corporation – 100.0%
- Remgro Healthcare Holdings – 100.0%
- Remgro USA – Jersey – 100.0%
- Remgro Management Services (FSP 30 549) – 100.0%
- V&R Management Services – Switzerland – 100.0%

KEY OBJECTIVES and principal integrated risks

Remgro's key objectives

Managing with a view to **maximise shared value creation** and **sustainable growth** for all **stakeholders.**

1

Remgro is an investment holding company committed to shaping the future and partner for South Africa's prosperity.

2

Our vision is to be the trusted investment company of choice that consistently creates sustainable and long-term stakeholder value.

3

Our critical role as stewardship of our investee companies, track record of skilled capital allocation, including prudent management and consistently maintaining a strong financial position enables us to invest in a diverse portfolio of businesses that can deliver superior earnings and dividend growth over the long term for the benefit of all our stakeholders, whilst fostering a measurable ESG impact that delivers shared value to all our stakeholders.

4

Our goal is to be a leader in the development of ESG and corporate sustainability as well as making it integral to our business. Remgro believes that the greatest progress in advancing our sustainability agenda can be realised by partnering with all our investee companies in the implementation of ESG across Remgro and its value chains.

The following aspects are considered fundamental to the **sustainability of growth** and **wealth creation.**

Doing business ethically

1

By always considering the impact of the Company's strategy on its commercial sustainability, the impact on the society in which it operates, as well as the environment, results in Remgro being a responsible corporate citizen and investor.

2

Leadership grounded on ethical foundations results in a culture of ethical and moral behaviour and compliance with laws, rules, codes and standards. Consistent achievement of objectives creates trust, whilst ethical environments also foster high staff morale and increased performance.

3

By always striving to "do the right thing" Remgro positions itself as the trusted investment partner of choice.

Principal integrated sustainability drivers

1. Remgro's size and influence enables it to acquire significant stakes in entities that are big enough to have a material effect on Remgro's earnings and net asset value. Remgro's standing as a trusted investment company of choice that adheres to ESG and sustainability principles facilitates the building of strategic partnerships and its access to investment opportunities, where impact is purposefully integrated throughout the investment lifecycle. In addition, the distribution of mature investments to shareholders enables Remgro to unlock value and make the entity more agile in seeking suitable unlisted investment opportunities.

2. A strong low-geared statement of financial position enables Remgro to make new investments, to increase its stake in well-performing investments, or fund growth opportunities by means of shareholder loans. It further enhances the business resilience of the Group in unstable global environments.

3. Remgro's stewardship of its investee companies through skilled and experienced executives is a critical value-add and will help further advance its sustainability agenda to drive behaviour through ESG principles and the creation of consistent standards across the Group to achieve common and collective sustainability goals.

4. Remgro's focus on ESG principles, innovation and future developments serves as inputs in its ESG Investment Framework and Mandate.

5. Remgro's commitment to measure its ESG progress first through the provision of transparent and accurate metrics and disclosures and later against agreed targets driven by internationally and locally recognised standards.

6. Effective risk management practices ensure that the impact of ESG on its investment portfolio is duly considered and timely mitigated.

Principal integrated risks

Remgro's principal risks and opportunities are summarised below. A more comprehensive analysis of our risk management process is provided in the Risk and Opportunities Management Report, while our main financial risks, including those relating to the global economy and currencies, are disclosed in the CFO's Report. The impact of the Russia-Ukraine War, socio-political unrest and economic decline on external risk and opportunity along with the implications for Remgro's Six Capitals and risk appetite is also specifically addressed in the Risk and Opportunities Management Report on page 122.

Key objectives and context	Integrated risks/opportunities
Partnering for South Africa's prosperity. This includes the successful and sustainable performance of enterprise to enhance economic growth, create jobs, pay taxes, and collaborate for a successfully governed country to the benefit of its people.	Events such as increasing global geopolitical instability, pandemics and adverse weather events and declining economies underlined and increased the inequalities in South Africa and globally.
To be a trusted investment company of choice that consistently creates sustainable value.	**Operational environment** South African country risk due to socio-political unrest, low economic growth, the widening deficit of the current account, increasing inflation, as well as interest rates and budget deficits. In particular, regulatory response and socio-economic impacts, net of fiscal relief measures, impeded growth scenarios.
	Trust Globally investor trust is enhanced due to a sound reputation for excellence in governance, ethics, sound risk management and consistent experience in delivery against stated objectives.
	Structure and performance Investors require sustainable returns and the unlocking of value in investment holding companies, commensurate with the risk profile of the investment made.
	Investee company performance Ability of boards of investee companies to identify and respond to disruptive technology risks timeously and opportunities or similar political, environmental, social, regulatory or economic developments in their markets. Adequate capacity to innovate can impede competitive ability.
To be a leader in the development of ESG and corporate sustainability in a South African context.	Over decades and at a global scale, poor or ill-informed governance coupled with population growth, industrialisation and increased consumption of natural resources, culminated in global warming, disruption of weather patterns, increased migration of people, massive pollution of the natural environment and other adverse impacts on our planet's ability to sustain this over time. In response thereto governments, society, stakeholders, and investors are via regulation, improved technology, calls for increased transparency and reporting and expected behaviour changes as custodians for future generations endeavouring to slow down and, in time, reverse the trends to ensure a sustainable future.

Risk mitigation strategies

Remgro's role is to deliver financial returns to our shareholders, whilst fostering a positive, measurable ESG impact that creates shared value to all our stakeholders.

ESG is intentionally incorporated into the business strategy to ensure that societal and environmental stakeholders are duly considered in the strategies, investment mandates and business models of the Group. Responsible behaviour by suppliers and service providers is incorporated into terms of engagement.

Focused stakeholder communication and engagement processes.

CSI and community initiatives.

Remgro's responsible investment principles drive our investment decisions, adhering to strict principles and robust criteria in the management of our assets and the pursuit of new investments.

Partner with investee companies across their value chains to implement ESG principles and create consistent standards across the Group.

Introduction of a Standard Operating Procedure for investment managers to integrate ESG into their investment decisions.

The Board, as well as the boards of investee companies, are increasingly directing focus to addressing pressing issues such as foreign currency risk, social instability, power supply risk, water scarcity, legislation and regulatory aspects and increased crime, by means of strategic and/or control processes.

Increased emphasis on relationship capital and stakeholder interaction.

Remgro maintains its proud record of solid governance by means of visible ethical leadership, transparent and clear stakeholder communications, ensuring a sound risk and control environment and treating stakeholders with respect and consideration.

We strive for excellence in all we do and maintain a culture of accountability.

Remuneration principles are aligned with those of shareholders.

Compilation of annual baseline ESG footprint report to gauge progress across all Remgro's investee companies.

Provision of transparent and accurate disclosures against defined metrics aligned to internationally and locally recognised standards to measure ESG performance.

Investment strategies include focusing on optimising the investment portfolio and unlocking value for stakeholders.

The Board maintains a sound risk appetite and ensures that the Group is adequately structured and capitalised to ensure sustainability during adverse cycles and positioned for growth through prudent capital allocation and financial support of growing and performing investee companies.

Investment in human capital and the effective deployment of relationship capital and intellectual capital further supports growth in investee companies.

The Future Fit process overseen by the management board ensures an innovative and entrepreneurial spirit of high-performance and strength through inclusivity and diversity.

Representation on investee company boards ensures effective oversight and the support of high-performance, motivated, and ethical management teams.

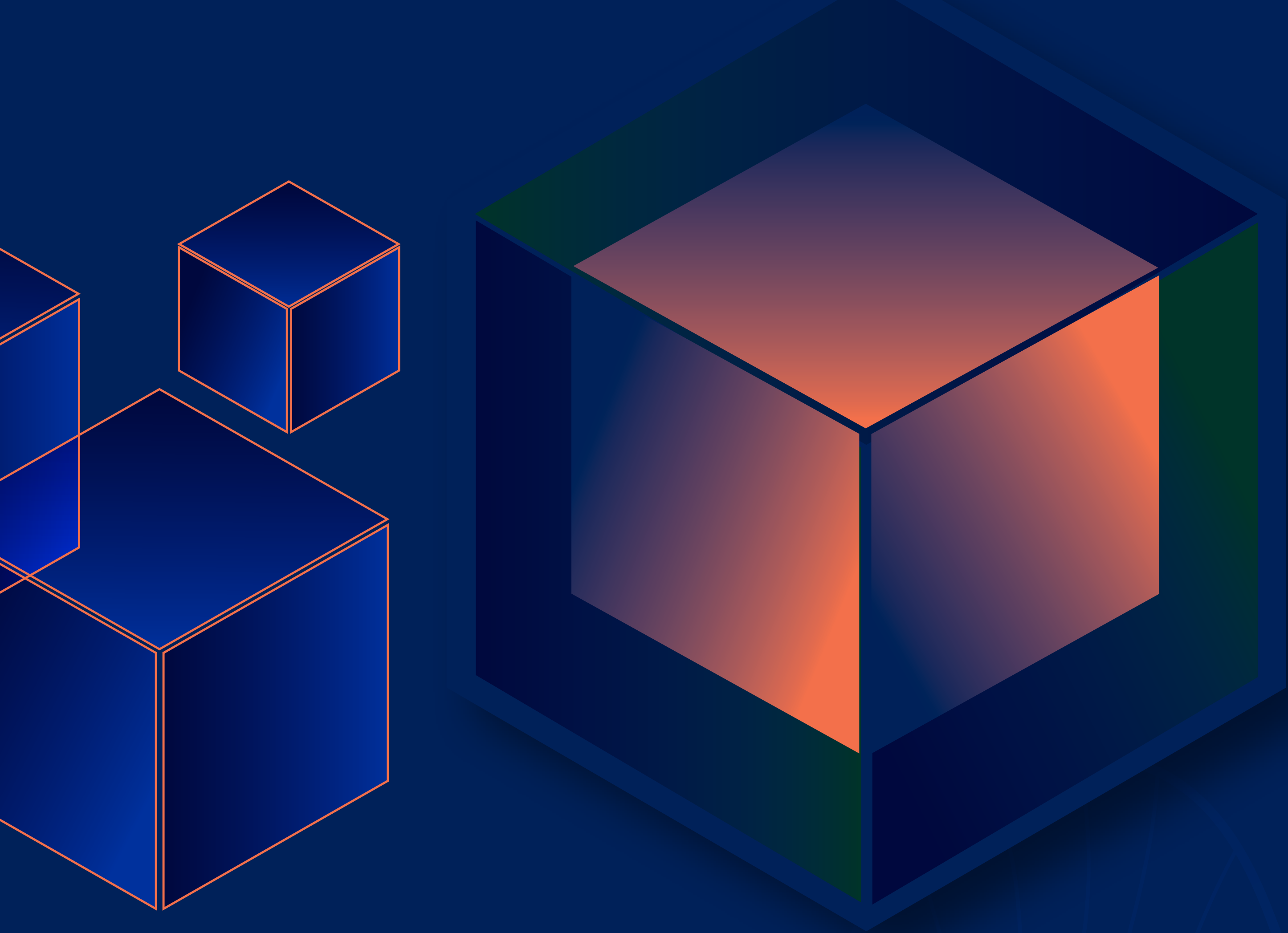
The sustainability of the Company, including that of investee companies is dependent upon their ability to identify and respond to market trends and other disruptive impacts in the markets or their business model, which can materially impact their businesses.

Optimising the utilisation of human, intellectual, manufactured and relationship capital through Group collaboration.

Structuring the diverse investment portfolio to hedge salient exposure across industry sectors.

Please refer to the Abridged ESG and Sustainability Report and TCFD Report which can be found on pages 68 and 72 of the Integrated Annual Report.

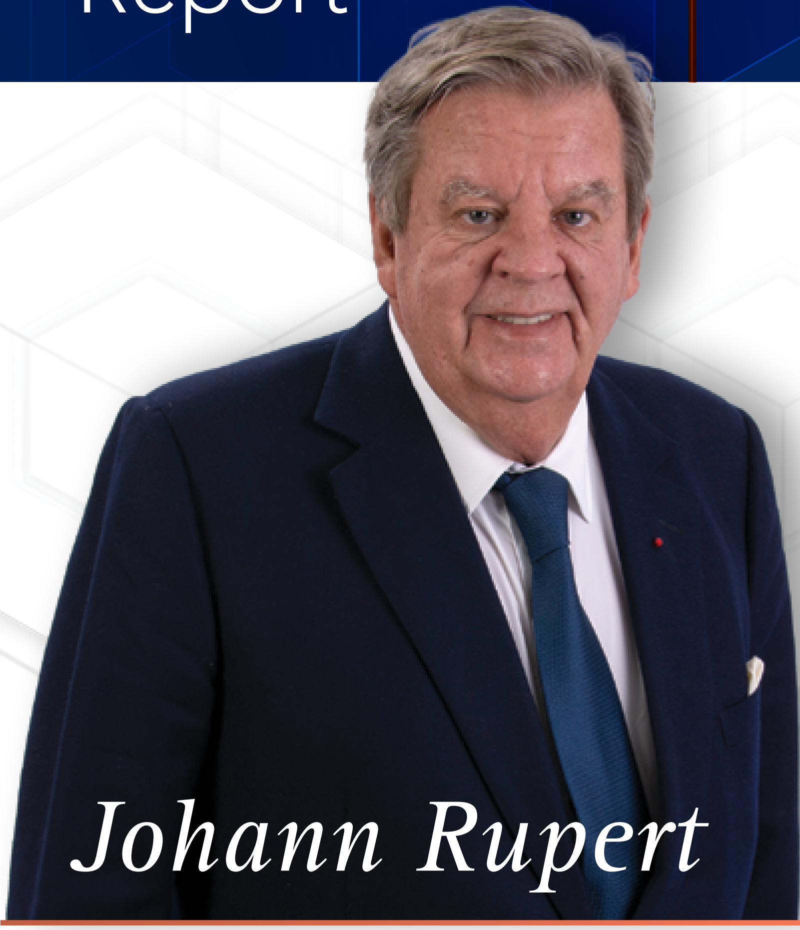
Remgro continues to embed ESG into its business model, strategies and operational activities as a Group. Also, through shareholder rights and partnering with investee companies to implement ESG principles and consistent standards to achieve our common sustainability goals, motivate the adoption of international best practice, benchmarking and monitoring enhanced governance, risk and opportunities management and related processes to give effect to its goal to be a leader in ESG by example and collaboration in areas outside its control.



REPORTS to shareholders

Remgro's strategic focus remains **allocating capital efficiently** and **unlocking value sustainably.** Remgro seeks to deploy capital into growth assets and maintain cash generating assets as feeders of its dividend payout capacity and capital for growth.

CHAIRMAN'S Report



Johann Rupert

Introduction

We are living through a globally turbulent period. In reflecting on this past year, it would be remiss of me not to acknowledge the global turbulence's exacerbation of the challenges still faced by our and other businesses, both large and small, in South Africa. The macro challenges are unrelenting and stubborn inflation has forced Central Banks to continue to hike rates. This has had a direct impact on already constrained consumers. There are also other contributing factors to the challenging economic landscape: the lingering impact of the Covid-19 pandemic on the global economy, most notably in China, combined with the ongoing Russia-Ukraine War; global food insecurity; a depressed local economy; inflationary woes; policy uncertainty; market volatility; South Africa's Greylisting by the Financial Action Task Force; and the energy crisis. This is however not the first time our Group has had to operate during turbulent periods.

Throughout the Group's history, in navigating through turbulent periods, we've had to meet the challenges before us and embrace uncertainty. It is this attitude, grounded in our Group's culture, that's enabled us to consistently create sustainable long-term value for our shareholders.

The long-term success of any business lies in its ability to adapt and seize the opportunities that present themselves in an ever-changing environment. While today's challenges may differ from those we've faced in the past Remgro continues to adapt to an evolving society; and we utilise the many insights learned from doing business in the South African context for over seven decades. Our success lies in our unwavering commitment to being the trusted investment company of choice, that consistently creates sustainable long-term stakeholder value.

I am pleased that the Group has delivered another resilient set of results, which is informed by our investment philosophy, investment criteria, and investment strategy. I remain optimistic about the prospects of our portfolio. Importantly, we as a Group remain focused on managing those factors that we can control while keeping our eyes on new opportunities.

I would like to highlight two corporate actions which have materially contributed to shifting the weighting of the value of our unlisted portfolio to approximately 70% from 30% in June 2022.

These two corporate actions are:

- Remgro and MSC Mediterranean Shipping Company SA's (the Consortium) acquisition of the entire issued ordinary share capital of Mediclinic Group Limited (Mediclinic), other than the Mediclinic shares Remgro already owned (June 2023). Remgro invested a further £221 million and increased its interest in Mediclinic from 44.6% to 50.0% (the Mediclinic acquisition). This transaction aligns with the Consortium's long-term investment horizon and combined expertise with Mediclinic's growth and expansion plans and provides Remgro shareholders with a unique access point into the unlisted entity; and
- the combination of the Heineken International B.V. (Heineken) Southern African business, including an interest in Namibia Breweries Limited, with the bulk of the Distell Group Holdings Limited (Distell) business (consisting of its cider, other RTDs (ready-to-drink) and spirits and wine business) in Heineken Beverages Holdings Limited during April 2023. Distell simultaneously unbundled its subsidiary, Capevin Holdings Proprietary Limited (Capevin), which held Distell's remaining assets, including its Scotch whisky business, and Remgro received an economic interest of 31.4% in Capevin (the Distell/Heineken transaction). This transaction contributed to creating a world-class, Southern-African focused beverage entity and unlocked significant value for Distell shareholders.

Financial performance

For the year under review, headline earnings increased by 8.7% from R6 494 million to R7 056 million, while headline earnings per share (HEPS) increased by 8.9% from 1 151 cents to 1 254 cents. The uplift of 29bps in the HEPS measure compared to headline earnings, represents the accretive impact of shares repurchased during the year under review.

The increase of 8.7% in headline earnings is mainly due to higher contributions from OUTsurance Group Limited's (OUTsurance Group) continuing operations, Mediclinic, the Pembani Remgro Infrastructure Fund, Kagiso Tiso Holdings Proprietary Limited and FirstRand Limited, as well as higher interest income and a foreign exchange gain realised on foreign exchange contracts entered in respect of the acquisition of an additional 5.4% indirect interest in Mediclinic. The increase is partly offset by lower contributions from TotalEnergies Marketing South Africa Proprietary Limited, RCL Foods Limited and Grindrod Limited (Grindrod) (due to its unbundling), as well as transaction costs relating to the Mediclinic acquisition and the Distell/Heineken transaction. In addition, the comparative year also included the contributions of Grindrod Shipping Holdings Limited (Grindrod Shipping) (which was disposed of) and the discontinued operations of OUTsurance Group (OUTsurance Group unbundled its investments in Discovery Limited and Momentum Metropolitan Holdings Limited, as well as disposed of its investment in Hastings Group Holdings plc).

Various corporate actions impacted the comparability of Remgro's headline earnings over the past two years. These corporate actions include *inter alia*:

- The discontinued operations of OUTsurance Group (comparative year);
- The disposal of Grindrod Shipping (comparative year);
- The unbundling of Grindrod (October 2022);
- The foreign exchange gain and transaction costs relating to the Mediclinic acquisition (June 2023); and
- The transaction costs relating to the Distell/Heineken transaction (April 2023).

Excluding the impact on headline earnings of these corporate actions, the headline earnings increased by approximately 27% reflecting a resilient underlying performance of Remgro's portfolio, thus maintaining positive earnings momentum despite a challenging business environment.

Dividend

The Board has approved a final dividend of 160 cents (2022: 100 cents) per share. The total ordinary dividends per share in respect of the year to 30 June 2023 thus amounted to 240 cents (2022: 150 cents).

Corporate governance and sustainability

Our purpose, "to shape the future and partner for South Africa's prosperity" is central in realising on our ambition of delivering financial returns for shareholders, while investing in a more sustainable future for South Africa that unlocks long-term stakeholder value.

Our sustainability strategy underlines the need to help catalyse inclusive socio-economic development and growth. It also underlies our commitment towards making a meaningful difference, through the various social corporate investment initiatives we support, in our communities.

In line with our corporate citizenship mandate, the initiatives we support are based on long-standing partnerships to create opportunities for community and enterprise development, along with cultural, sporting, and educational opportunities.

Further details of our progress in this regard can be found in the ESG and Sustainability Report, which is available on the Company's website at www.remgro.com.

We also note that the Board of Directors is ultimately accountable for the performance of the Company, appreciating that strategy, risk, performance, and sustainability are inseparable.

Our governance framework is based on the principles contained in the King IV Report on Corporate Governance for South Africa (2016) and we are satisfied that the Company has applied those principles during the year under review. Our Remgro Board members possess the requisite collective skills, experience, and diversity, to carry out their responsibilities to achieve the Group's objectives and create sustainable stakeholder value over the long term.

Change to the directorate

We are delighted to welcome Dr Thabi Leoka as an independent non-executive director of Remgro, effective 22 March 2023. Dr Leoka has considerable experience in the areas of finance, and a passion for emerging markets and African economies. She obtained her PhD and MSc in Economics from the London School of Economics, holds an MA in Economic Development and International Trade and a BA in Social Science, both from Witwatersrand University.

Dr Leoka has already provided valuable insights and input during her short tenure, and we look forward to her continued contribution to Remgro while serving on the Board.

In closing

I would like to thank all our stakeholders for their continued support. I would also like to thank the Board, and our employees at the centre and across our investee companies that have enabled another year with positive momentum. With our proven investment philosophy, strategic vision, and resilient portfolio of assets, I remain confident in our ability to drive strong shareholder returns, and to continue to create sustainable long-term stakeholder value.

Johann Rupert
Chairman

Stellenbosch
20 September 2023

CHIEF EXECUTIVE OFFICER'S Report

> "Finalisation of the Mediclinic and Distell/Heineken transactions marks another **inflection point** in Remgro's history. The value of Remgro's unlisted portfolio has now increased to c.70%, materially increasing Remgro's scarcity factor and positioning it for **further growth** and value-unlock for shareholders.

Introduction

In South Africa, the challenging environment in which businesses are currently operating is widely recognised and covered by our news outlets. The features of this challenging operating business environment include, amongst other things, the confluence of load shedding, high inflation, high interest rates, sharp increases in electricity prices, foreign exchange volatility, ongoing geopolitical tensions, the erosion of foreign investment confidence in the country, as well as concerning levels of crime and corruption. All of these features, compounded together, have created what is probably the most difficult business environment I have experienced in my working career. The current economic environment is troubling; the disruption in business operations directly impacts consumers and runs the risk of increased social instability, due to the undoing of livelihoods and rise in poverty levels. With low levels of expected economic growth – combined with the breakdown of state infrastructure relating to energy, transport and logistics, and the slow pace of economic reforms to date – the urgency to address these issues cannot be overstated.

Delivering on our strategy

Against this backdrop, it is pleasing to note the Group's ability to maintain positive earnings momentum. We are also proud of our teams' successful completion of the Mediclinic Group Limited (Mediclinic) and Distell Group Holdings Limited (Distell)/Heineken International B.V. (Heineken) corporate transactions[1], both of which were implemented during the year under review. Both transformative transactions have been in the making for many years, and we are pleased to finally report on their successful completion.

The finalisation of these two transactions marks another inflection point in Remgro's rich history. Prior to their implementation, approximately 70% of Remgro's portfolio could be accessed directly via relevant issuers on various stock exchanges. The ratio between the value of the unlisted and listed portion of our portfolio has completely switched; the value of the unlisted portion of Remgro's portfolio now sits at approximately 70%. This has materially increased Remgro's scarcity factor, thereby positioning it for further growth.

[1] *Refer to "Significant investment activities" section on the next page for further details.*

We are also pleased with the progress we've made in delivering our other strategic priorities during the period. These priorities remain unchanged and we remain committed to consistently growing our triple bottom line, which includes unlocking value for our shareholders, efficient capital allocation and continued focus on our sustainability drive.

Unlocking value

As an investment holding company, our number one priority is to unlock the intrinsic value of our assets. In pursuit of this, the following strategic actions were implemented to ensure we achieve growth in our core assets. These actions include, *inter alia*:

- ***Strategic partnerships for growth in our core assets***
  Our partnership with MSC Mediterranean Shipping Company SA (MSC) in respect of Mediclinic together with Heineken in respect of Heineken Beverages Holdings Limited (Heineken Beverages)[1] has significantly reshaped Remgro's portfolio towards a greater unlisted asset contribution. This has materially increased Remgro's scarcity factor and positioned these investments for future growth, affording us the opportunity to be a critical investor to help drive and influence performance.
- ***The unbundling or disposing of non-core assets***
  In line with our commitment to dispose of subscale or non-core assets as appropriate, Remgro's 25.0% stake in Grindrod Limited (Grindrod) was unbundled in October 2022, following the sale of Remgro's stake in Grindrod Shipping Holdings Limited in January 2022.
- ***Addressing structural inefficiencies***
  As evidenced by this reporting period's results, OUTsurance Group Limited continues to be a top performer in Remgro's portfolio, following its restructure and listing in the prior period (previously Rand Merchant Investment Holdings Limited (RMI)).

With the shift in the composition of Remgro's portfolio, we remain committed to unlocking further value through an **intensified focus on driving turnaround and growth in our core and growth assets**, including Mediclinic, Heineken Beverages, Community Investment Ventures Holdings Proprietary Limited (CIVH), RCL Foods Limited (RCL Foods) and Siqalo Foods Proprietary Limited (Siqalo Foods).

Efficient capital allocation

The efficient allocation of capital is an intrinsic part of our strategy. We seek to deploy capital into our growth assets, and to maintain our cash-generating assets as feeders of our dividend payout capacity and capital for growth.

As further detailed in the *Significant investment activities* section, our capital allocation decisions during this reporting period included further investment into Mediclinic and Heineken Beverages with a focus on future growth, the sale of FirstRand Limited (FirstRand) shares, and the implementation of a R1 billion share repurchase programme, as we seek to unlock value for shareholders where Remgro's share price trades at elevated discount levels compared to its intrinsic net asset value.

Sustainability drive

We continue to make progress on our Environmental, Social and Governance (ESG) journey. Our ambitions regarding sustainability are anchored in our long-held view of our social, environmental, and governance responsibility as a values-led business. In line with our intention to take a leading role in the development of ESG and corporate sustainability within a South African context, we've taken deliberate steps to progress our ESG journey.

In line with our commitment towards social and environmental sustainability, we are pleased to report on the appointment of a full-time sustainability and ESG expert, Ms Tanis Brown, to drive our ESG strategy across the Remgro Group, and partnering with the investee companies within our portfolio in driving this effort. Ms Brown has extensive knowledge and experience within the ESG field and will fulfil an important role in the next phase of Remgro's ESG journey. Our immediate priorities include the following: further enhancing our measurement of, and reporting on, ESG related matters, as well as the continued implementation of the Remgro ESG strategy across the portfolio of businesses.

As a Group, and as a responsible corporate citizen, we have made some headway in embedding ESG into our business strategy, as well as partnering with our investee companies to improve and consistently integrate ESG practices and processes throughout our entire value chain.

A key part of our sustainability journey is reporting on our ESG progress and disclosures. It gives me great pleasure to report that we've honoured the commitment we made last year to include our first set of ESG disclosures aligned to the Task Force on Climate-Related Financial Disclosures (TCFD) which can be found on page 72.

Strategy outlook

We remain unwavering in our commitment to unlocking sustainable stakeholder value and seek to maintain a disciplined approach, towards capital allocation, in pursuit of this ambition. We look to balance further investment into growth with maintaining an appropriate cash buffer and returning cash to shareholders in the form of dividends and share repurchases as and when appropriate.

Additional value unlock can be achieved through an intensified focus on our core turnaround and growth assets as well as the disposal of non-core assets, combined with a renewed focus on identifying attractive growth opportunities. We will also continue to embed sustainability, when considering new attractive growth opportunities, and work towards further improving our disclosures and shareholder engagement.

The proposed transaction between Vodacom Proprietary Limited (Vodacom) and CIVH[1] remains a priority for Remgro. We, together with CIVH and Vodacom management, fundamentally believe in the value of this transaction and remain committed towards unlocking value for our shareholders, which the achievement of approval from the relevant Competition Authorities would present. We remain confident that the positive social impacts of the proposed transaction on critical issues such as the democratisation of the internet in lower income areas; greater access to cheaper fibre to the greater South Africa; as well as the potential for job creation, and broader growth of the economy will be favourably considered by the Competition Tribunal of South Africa.

Significant investment activities

Mediclinic

On 26 September 2022, the Mediclinic shareholders voted in favour of a cash offer by Manta Bidco Limited (Bidco), a newly formed company which is jointly owned by Remgro and MSC, to acquire the entire issued and to be issued ordinary share capital of Mediclinic, other than the Mediclinic shares Remgro already owned (the Mediclinic acquisition). The last conditions precedent in respect of the Mediclinic acquisition were met during May 2023 and on 6 June 2023, Mediclinic shareholders received 501 pence per Mediclinic share, being the offer price of 504 pence per Mediclinic share less the dividend of 3 pence per Mediclinic share that was paid on 26 August 2022. To enable the Mediclinic acquisition, Remgro sold its existing 328 497 888 Mediclinic shares (representing an interest of 44.6%) to Bidco in exchange for shares in Bidco and subscribed for further shares in Bidco amounting to £221 million (representing an additional indirect interest in Mediclinic of 5.4% and approximately 50% of Bidco's transaction costs). MSC also subscribed for shares in Bidco amounting to £1 867 million (representing an indirect interest in Mediclinic of 50% and 50% of Bidco's transaction costs).

[1] *Refer to "Significant investment activities" section for further details.*

Distell

On 15 February 2022, the Distell shareholders approved the combination of the Heineken Southern African business, including an interest in Namibia Breweries Limited, with the bulk of the Distell business (consisting of its cider, other RTDs (ready-to-drink) and spirits and wine business) in Heineken Beverages, a new unlisted entity controlled by Heineken. The transaction included the unbundling by Distell of the unlisted shares in Distell's subsidiary, Capevin Holdings Proprietary Limited (Capevin), which holds Distell's remaining assets, including its Scotch whisky business. The transaction, which was implemented on 26 April 2023, also included an offer by Heineken Beverages to Distell shareholders to acquire their Distell shares for R165 per share and/or unlisted shares in Heineken Beverages, or a combination thereof (subject to a potential scaling back of the issue of Heineken Beverages shares to Distell shareholders, electing to receive Heineken Beverages shares, to ensure a 65% shareholding by Heineken in Heineken Beverages), and an offer by Heineken to Distell shareholders to acquire their Capevin shares for R15 per share.

Remgro elected to receive Heineken Beverages shares for its Distell shares. However, as a result of the scale back, Remgro sold 7 607 803 Distell shares to Heineken Beverages on 26 April 2023 for R1 255 million (being R165 per Distell share) and exchanged the remaining 62 242 453 Distell shares for 62 242 453 Heineken Beverages shares (representing an interest of 15.5%). Following the implementation of the transaction, Remgro acquired a further 13 218 475 shares in Heineken Beverages for R2 181 million (or R165 per share excluding transaction costs), in a series of off-market transactions. These transactions increased Remgro's interest in Heineken Beverages to 18.8%. The next year's focus will be on integration of these businesses.

Remgro did not accept the cash offer made by Heineken for the Capevin shares and, as a result, Remgro's shareholding in Capevin mirrors the shareholding that was previously held in Distell, being an economic interest of 31.4% and a voting interest of 55.9%.

CIVH

As previously reported, Vodacom will, through a combination of assets of approximately R4.2 billion and cash of at least R6.0 billion, acquire up to 40% of the ordinary shares of a newly created wholly owned subsidiary of CIVH (namely Maziv Proprietary Limited (Maziv)). Maziv holds *inter alia* CIVH's current interests in Vumatel and DFA. As a result of the proposed transaction, Remgro's indirect interest in DFA and Vumatel will dilute with the entrance of Vodacom as a shareholder, however Remgro will also obtain an indirect interest in the assets contributed by Vodacom. During August 2023, The Competition Commission South Africa announced its non-binding recommendation to the Competition Tribunal to prohibit the proposed transaction. Remgro and CIVH remain committed to the proposed transaction and firmly believe that, should the implementation of the proposed transaction ultimately be permitted by the Competition Tribunal, it will deliver significant benefits to South African consumers and the broader economy.

Grindrod

On 17 October 2022 Remgro unbundled its investment in Grindrod to its shareholders as a dividend *in specie* amounting to R1 640 million, in the ratio of 30.70841 Grindrod shares for every 100 Remgro shares held.

FirstRand

During July 2022 Remgro sold 19.2 million FirstRand shares for R959 million (being R49.945 per FirstRand share). These FirstRand shares were part of the 60 million FirstRand shares that were hedged through a series of options, which became exercisable during June and July 2022. Remgro sold the 60 million FirstRand hedged shares to net settle the option liabilities. The other 40.8 million FirstRand shares were sold during June 2022.

Share repurchase programme

Pursuant to a general share repurchase programme of R1 billion, Remgro, through a wholly owned subsidiary, acquired 6 583 676 Remgro ordinary shares in the open market between 19 June 2023 and 2 August 2023 (Remgro repurchased shares). These shares represent 1.2% of the Company's issued ordinary shares immediately prior to the repurchase. At 30 June 2023, 1 882 333 Remgro repurchased shares had been acquired at an average price of R145.62 per share for a total amount of R274 million. Subsequent to 30 June 2023, another 4 701 343 Remgro repurchased shares were acquired at an average price of R154.40 per share for a total amount of R726 million. The share repurchase programme was completed on 2 August 2023. These Remgro repurchased shares were acquired as part of an ongoing strategic focus on returning value to shareholders through a disciplined capital allocation plan.

The following tables represent the cash effects of Remgro's investment activities for the year to 30 June 2023. These activities exclude the investing activities of Remgro's operating subsidiaries, i.e. RCL Foods Limited, Siqalo Foods Proprietary Limited, Wispeco Holdings Proprietary Limited and Capevin Holdings Proprietary Limited.

Investments made and loans granted	R million
Mediclinic (including costs)	4 538
Heineken Beverages (including scale back and costs)	1 062
Asia Partners (offshore)	159
Invenfin Proprietary Limited	75
Pembani Remgro Infrastructure Fund (PRIF)	57
Other	44
	5 935

Investments sold and loans repaid	R million
FirstRand	1 199
Milestone Capital Funds (offshore)	135
PRIF	127
Milestone Capital Investment Holdings Limited (offshore)	89
Other	43
	1 593

Investment commitments

The table below summarises the investment commitments of Remgro as at 30 June 2023

Investment commitments	R million
PRIF	1 536
Asia Partners (offshore)	886
Other	14
	2 436

Intrinsic net asset value

As in my previous reports, this section serves to provide insight into Remgro's valuation methodology and the integrity thereof; to assist stakeholders with understanding Remgro's intrinsic net asset value, which we believe remains the most appropriate indicator of the value added to the benefit of our shareholders.

Remgro's intrinsic net asset value per share increased by 16.6% from R213.10 at 30 June 2022 to R248.47 at 30 June 2023. The closing share price at 30 June 2023 was R147.05 (2022: R129.91), representing a discount of 40.8% (2022: 39.0%) to the intrinsic net asset value. As at 30 June 2023, 72% of the value of Remgro's investment portfolio were represented by unlisted investments (2022: 33%). In this regard, it is worth noting that prior to the recently completed corporate transactions relating to Remgro's investments in Mediclinic and Distell, as well as the unbundling of Remgro's interest in RMB Holdings Limited (RMH) on 8 June 2020, 23% of the value of Remgro's investment portfolio were represented by unlisted investments, with the share price trading at a discount to intrinsic net asset value of less than 30%. While the subsequent widening of the discount was not anticipated at the time, it does highlight the importance of demonstrating the veracity of the intrinsic net asset valuations in a portfolio that has pivoted towards more unlisted investments.

The intrinsic net asset value of the Group includes valuations of all investments, incorporating subsidiaries, associates, and joint ventures, either at listed market value or, in the case of unlisted investments, other inputs for the assets that are not based on observable market data.

Guidance in completing the valuations is obtained from *IFRS 13: Fair Value Measurement*, where Fair Value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that a hypothetical transaction to sell an asset takes place in the principal market or, in its absence, the most advantageous market for the asset.

The values derived from the valuation exercise performed at measurement date fall within the *IFRS 13* framework which requires, in the context of discounted cash flow valuations, the equity beta, capital structure and cost of debt be determined based on information obtained for similar assets or market participants, after certain adjustments are made. This impacts the weighted average cost of capital (WACC) used when discounting the cash flows for purposes of the *IFRS 13* valuation and is expected to be different from those applied in a transactional valuation approach, as the target or actual inputs are replaced with inputs derived from considering the position of hypothetical market participants. Consequently, a valuation derived by applying the *IFRS 13* framework is expected to differ from a transactional valuation.

In ensuring the veracity of Remgro's intrinsic net asset valuations, the Valuation Subcommittee assists the Audit and Risk Committee to:

- gain assurance on the valuations of Remgro's unlisted investments and the internal valuations of Remgro's material listed investments; and
- recommend the valuations of Remgro's unlisted investments and the internal valuations of Remgro's material listed investments to the Remgro Board.

The Valuation Subcommittee is chaired by Mr Fred Robertson and consists of five non-executive directors (being two directors who serve on the Audit and Risk Committee and three directors who serve on the Investment Committee), the Chief Executive Officer, and the Chief Financial Officer. This function has become increasingly important as Remgro's portfolio has evolved towards more unlisted investments.

Relative performance of intrinsic net asset value and Remgro internal rate of return (IRR)

The table below compares the Remgro intrinsic net asset value per share with certain selected JSE indices at 30 June during the last five years. The material decrease in the Remgro share price and intrinsic net asset value on 30 June 2020 reflects the unbundling of Remgro's interest in RMH on 8 June 2020, as well as the negative impact of the Covid-19 pandemic.

	30 June 2023	30 June 2022	30 June 2021	30 June 2020	30 June 2019
Intrinsic net asset value – Rand per share	**248.47**	213.10	177.33	154.47	233.03
JSE – All Share Index	**76 028**	66 223	66 249	54 362	58 204
– Capped Swix All Share Index	**21 039**	19 371	18 865	15 184	17 685
– Fin & Ind 30 Index	**103 116**	81 092	83 912	70 975	77 459
– Financial 15 Index	**16 057**	14 686	13 103	10 034	16 993
– Healthcare	**6 282**	5 362	4 981	4 344	5 225
Remgro share price (Rand)	**147.05**	129.91	114.60	99.90	187.90

The following table compares Remgro's IRR with that of certain selected JSE indices. For this purpose it has been assumed that dividends, which include unbundlings such as Remgro's interest in RMH, have been reinvested in either Remgro shares or in the particular index, depending on the specific calculation.

	One year 30 June 2023 (% year on year)	**Three years 30 June 2023 (% compounded per annum)**	**Period from 28 October 2008[(1)] to 30 June 2023 (% compounded per annum)**
JSE – All Share Index	**19.6**	**16.1**	**13.6**
– Capped Swix All Share Index	**13.5**	**15.7**	**n/a[(2)]**
– Fin & Ind 30 Index	**31.1**	**16.0**	**15.5**
– Financial 15 Index	**15.6**	**21.7**	**12.3**
– Healthcare	**19.5**	**30.7**	**15.1**
Remgro share price	**17.1**	**15.6**	**11.4**
Intrinsic net asset value	**20.6**	**19.1**	**12.9**

(1) *BAT unbundling.*
(2) *Capped Swix not available.*

Economic commentary and outlook

At the start of the second quarter of 2023, there was a fair amount of apprehension that, following a reasonable start to the year, real GDP in South Africa could be under severe pressure once again. In large part, the concern stemmed from the risk of intensified load shedding during the winter months. In the end, the intensity of load shedding eased in June. Along with a strong increase in private sector investment in machinery and equipment, this ensured another quarter of GDP expansion in the second quarter.

Despite the temporary reprieve in the constraint on production and the cost of keeping the lights on, the SA economy remains under significant pressure amid energy and logistical constraints, as well as rampant crime and corruption. In addition, the latest survey data (PMIs) suggests that domestic demand is taking strain amid restrictive borrowing costs and stubbornly elevated relative prices, mainly food. Although international expansion continued in the second quarter, global growth momentum seems to have slowed at the end of the quarter and the incoming data indicates mixed trends for economic activity in South Africa's main trading partners. While US growth was surprisingly solid, China's first quarter reopening bounce ran out of steam in the second quarter. Economic activity remains very subdued in the Eurozone. Looking forward, amid contracting money supply, a deeply inverted yield curve, and a multi-month decline in the leading indicator, the US is still expected to be in a mild recession from late 2023.

Overall, the delayed impact, including on labour markets, of aggressive developed country policy interest rate increases, is expected to push world growth lower in 2024.

On the global inflation front, price pressures at the headline level continue to moderate as Covid-19 and Russia-Ukraine War effects unwind but remain well above central bank targets. Furthermore, especially in some developed countries, underlying (core) inflation is still stubbornly elevated and interest rates are set to remain higher for longer. Given this backdrop, the South African economy is unlikely to be boosted by a positive near-term global growth impulse. On the contrary, partly due to major non-gold domestic export commodity prices being under pressure, the global environment is moving from a tailwind during the last two years to a headwind for South Africa. Lower prices for key SA export commodities are already having adverse implications for South Africa's fiscal ratios, which are tracking significantly worse than the National Treasury's expectation in the February budget.

After contracting by a less-than-previously estimated 1.1% quarter-on-quarter in the fourth quarter of 2022, SA real GDP growth expanded by around 0.5% during both the first and the second quarters of 2023. Despite downside risks in the second half of the year, a decent first half suggests that the South African economy can grow by about 0.5% in real terms during 2023. The narrative of improved growth in 2024 remains largely unchanged. Global concerns notwithstanding, an easing in the domestic power constraint as more private sector-driven generation projects come on stream, combined with Eskom returning major units currently on long-term outages, should see SA real GDP growth accelerate to above 1% next year. If nothing else, the partial lifting of the energy constraints should support business, consumer, and investor confidence. In terms of the major demand-side GDP components, faster rates of private sector real fixed investment growth are projected to be the key driver of an improved GDP performance in 2024, and beyond.

The rate of increase for headline consumer inflation (CPI) in South Africa continued to moderate in recent months. Even so, as the rand hit new all-time lows against major currencies in May, the SA Reserve Bank (SARB) lifted the policy interest to the current level of 8.25% (prime rate at 11.75%). As food price increases continue to moderate, the outlook for inflation is reasonably constructive. Along with the elevated oil price, a sustained rand weakness provides the most pronounced upside risk to this view. Given an assumption that headline CPI will remain on a disinflationary path, and also because of South Africa's growth struggles, the SARB kept the repo rate unchanged in July. The policy rate is now set to be on hold for a prolonged period until inflation moves closer to the SARB's preferred 4.5% mark and/or the US central bank (Fed) starts to reduce its policy rate. At this stage, both events are likely to materialise in the first half of 2024.

The rand weakened by 9.5%, 12% and 16% respectively against the US dollar, the euro, and the UK pound in the first half of 2023. A worsening of domestic macro fundamentals, including the move from a current account surplus to a deficit, South Africa's Greylisting by the Financial Action Task Force (FATF) in February, as well as a diplomatic tensions with the US, dented foreign investor sentiment. Buoyed by the load shedding reprieve in June, together with indications that the Fed has reached the end of its hiking cycle, the local currency briefly recovered from its weakest levels in May. At current levels, the rand remains undervalued against major currencies.

As noted in my introduction, the increasing risk of social unrest in South Africa is troubling. This was further amplified by the recent taxi industry strike in the Western Cape, which turned violent and resulted in the loss of lives. The importance of urgently dealing with both the socio-political and economic issues facing our country is paramount.

Conclusion

Amidst all the headwinds South Africa is currently facing, Remgro remains confident about the resilience of its portfolio.

I wish to thank my colleagues at Remgro and our underlying investee companies for another positive year, and I am grateful for our Board whose input and guidance remains invaluable.

I look forward to the year ahead as Remgro continues to strive towards being the trusted investment company of choice that consistently creates sustainable stakeholder value.

Jannie Durand
Chief Executive Officer

Stellenbosch
20 September 2023

Remgro's unlisted investments were valued as follows:

Investment	Valuation methodology
Mediclinic	Sum-of-the-parts (external valuation)
CIVH	Discounted cash flow method
Heineken Beverages	Price of recent investment
Siqalo Foods	Discounted cash flow method
Air Products	Discounted cash flow method
TotalEnergies	Discounted cash flow method
KTH	Sum-of-the-parts (external valuation)
Capevin	Sum-of-the-parts
Wispeco	Discounted cash flow method
Business Partners	Net asset value
Prescient China Equity Fund	Sum-of-the-parts
Milestone China Opportunities Fund III (Milestone III)	Sum-of-the-parts
SEACOM	Discounted cash flow method
eMedia Investments	Comparable market price
Asia Partners (Fund I & II)	Sum-of-the-parts
PRIF	Sum-of-the-parts
PGSI	Discounted cash flow method

Intrinsic net asset value

R million	30 June 2023 Book value	30 June 2023 Intrinsic value[1]	30 June 2022 Book value	30 June 2022 Intrinsic value[1]
Healthcare				
Mediclinic	**41 050**	**47 268**	26 681	29 568
Consumer products				
Distell			8 386	11 969
Heineken Beverages[2]	**12 495**	**12 451**		
Capevin[2]	**1 677**	**1 576**		
RCL Foods[2]	**9 152**	**7 141**	8 816	7 355
Siqalo Foods[2]	**6 212**	**6 007**	6 261	6 345
Financial services				
OUTsurance Group	**5 764**	**15 957**	5 307	13 069
Business Partners[2]	**1 289**	**1 260**	1 193	1 193
Infrastructure				
CIVH	**7 025**	**14 300**	6 905	13 756
Grindrod			1 559	1 559
SEACOM	**98**	**796**	40	776
Other infrastructure investments	**57**	**57**	67	67
Industrial				
Air Products	**1 282**	**4 911**	1 162	4 690
TotalEnergies	**3 063**	**3 338**	3 158	3 274
Wispeco[2]	**1 619**	**1 330**	1 448	1 402
Other industrial investments	**204**	**320**	189	379
Diversified investment vehicles				
KTH	**1 878**	**2 370**	1 497	2 145
Prescient China Equity Fund	**1 137**	**1 137**	1 189	1 189
Invenfin	**771**	**1 136**	804	1 050
Other diversified investment vehicles	**1 760**	**1 760**	1 864	1 864
Media				
eMedia Investments[2]	**897**	**659**	856	738
Other media investments	**154**	**182**	111	150
Portfolio investments				
FirstRand[3]	**6 889**	**6 889**	7 141	7 141
Discovery	**6 167**	**6 167**	5 410	5 410
Momentum Metropolitan	**1 816**	**1 816**	1 439	1 439
Other portfolio investments	**769**	**769**	809	809
Social impact investments	**126**	**126**	132	132
Central treasury				
Cash at the centre[4]	**9 001**	**9 001**	12 280	12 280
Debt at the centre	**(7 857)**	**(7 857)**	(7 838)	(7 838)
Other net corporate assets	**1 425**	**2 122**	1 577	2 221
Intrinsic net asset value (INAV)	**115 920**	**142 989**	98 443	124 132
Potential CGT liability[5]		**(4 186)**		(3 930)
INAV after tax	**115 920**	**138 803**	98 443	120 202
Issued shares after deduction of shares repurchased (million)	**558.6**	**558.6**	564.1	564.1
INAV after tax per share (Rand)	**207.51**	**248.47**	174.52	213.10
Remgro share price (Rand)		**147.05**		129.91
Percentage discount to INAV		**40.8**		39.0

(1) *For purposes of determining the intrinsic net asset value, the unlisted investments are shown at IFRS 13: Fair Value Measurement valuations and the listed investments are shown at closing stock exchange prices.*

(2) *Remgro determined the recoverable amounts for Heineken Beverages, RCL Foods, Siqalo Foods, Capevin, Business Partners, Wispeco and eMedia Investments which are in excess of the investments' carrying values.*

(3) *The intrinsic value for FirstRand includes the investment at market value less deferred capital gains tax (CGT) on the investment, as well as the after-tax zero cost collar hedge on 60 000 000 (2022: 19 200 000) FirstRand shares amounting to a liability of R72 million (2022: R187 million).*

(4) *Cash at the centre excludes cash held by subsidiaries that are separately valued above (mainly RCL Foods, Siqalo Foods, Capevin and Wispeco).*

(5) *The potential CGT liability is calculated on the specific identification method using the most favourable calculation for investments acquired before 1 October 2001 and also taking into account the corporate relief provisions. In addition to FirstRand, the deferred CGT on other investments at fair value through other comprehensive income is included in the investee line item above.*

CHIEF FINANCIAL OFFICER'S Report

Maintaining positive **earnings momentum** through various **headwinds.**

Neville Williams

Introduction

Due to Remgro being an investment holding company, traditional measurements of performance, such as sales or gross profit, are not meaningful criteria for evaluating the Group's performance. However, management uses "headline earnings", "intrinsic net asset value" and "cash at the centre" to evaluate the performance of the Group on a continuous basis and hence these concepts are used throughout the Integrated Annual Report to provide shareholders with a better understanding of our results.

Results

Results in context

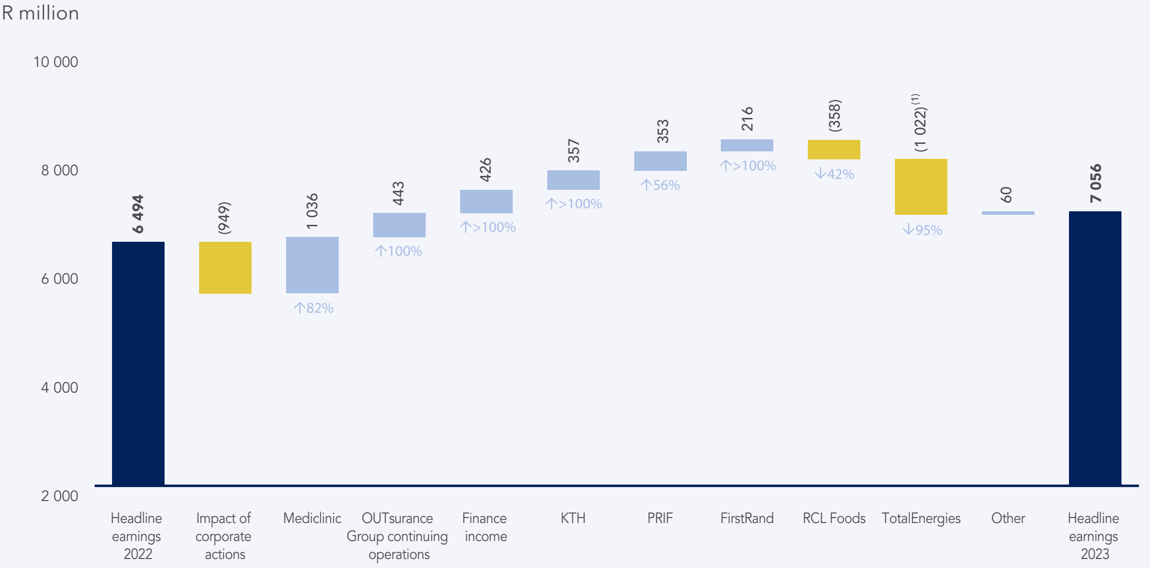
During the current and comparative years, Remgro implemented and facilitated various corporate actions which impacted the comparability of Remgro's headline earnings. These corporate actions and their impact on headline earnings include *inter alia*:

- The restructuring of OUTsurance Group Limited (OUTsurance Group) (previously Rand Merchant Investment Holdings Limited (RMI)) – during the comparative year, OUTsurance Group unbundled its investments in Discovery Limited (Discovery) and Momentum Metropolitan Holdings Limited (Momentum Metropolitan) (the OUTsurance Group unbundling), as well as disposed of its investment in Hastings Group Holdings plc (Hastings). OUTsurance Group equity accounted these investments (being classified as discontinued operations) and Remgro's portion thereof, included in headline earnings for the comparative year, amounted to R351 million. As a consequence of the OUTsurance Group unbundling, Remgro received Discovery and Momentum Metropolitan shares and classified both investments as financial instruments at fair value through other comprehensive income. As Remgro now accounts for dividend income from these investments, only R141 million of dividends were received and included in headline earnings from Momentum Metropolitan during the year under review;
- The disposal of Grindrod Shipping Holdings Limited (Grindrod Shipping) (comparative year) – equity accounted income of R267 million was included in the prior year;
- The unbundling of Grindrod Limited (Grindrod) (October 2022) – equity accounted income of only R61 million is included for the year under review (2022: R263 million);

Salient features

	30 June 2023	30 June 2022	% change
Headline earnings (R million)	**7 056**	6 494	*8.7*
– per share (cents)	**1 254**	1 151	*8.9*
Earnings (R million)	**9 624**	13 139	*(26.8)*
– per share (cents)	**1 710**	2 328	*(26.5)*
Dividends per share (cents)			
Ordinary	**240**	150	*60.0*
– Interim	**80**	50	*60.0*
– Final	**160**	100	*60.0*
Intrinsic net asset value per share (Rand)	**248.47**	213.10	*16.6*

Financial year ended 30 June 2023: Results in context



(1) *Included in TotalEnergies' contribution are negative stock revaluations of R252 million (2022: positive stock revaluations of R642 million).*

- The acquisition of an additional 5.4% indirect interest in Mediclinic Group Limited (Mediclinic) (the Mediclinic acquisition) (June 2023) – transaction costs (R612 million) and foreign exchange gain (R522 million) are included for the year under review; and
- The combination of the Heineken International B.V. (Heineken) Southern African business, including an interest in Namibia Breweries Limited (Namibia Breweries), with the bulk of the Distell Group Holdings Limited (Distell) business (consisting of its cider, other RTDs (ready-to-drink) and spirits and wine business) in Heineken Beverages Holdings Proprietary Limited (Heineken Beverages), as well as the unbundling by Distell of its subsidiary, Capevin Holdings Proprietary Limited (Capevin), which holds Distell's remaining assets, including its Scotch whisky business (the Distell/Heineken transaction) (April 2023) – transaction costs of R196 million is included for the year under review (2022: R16 million).

More details on these transactions are provided under "*Commentary on reporting platforms' performance*" on the next page.

Headline earnings

Overview

For the year under review, headline earnings increased by 8.7% from R6 494 million to R7 056 million, while headline earnings per share (HEPS) increased by 8.9% from 1 151 cents to 1 254 cents. The uplift of 29bps in the HEPS measure compared to headline earnings, represents the accretive impact of shares repurchased during the year under review.

The increase of 8.7% in headline earnings is mainly due to higher contributions from OUTsurance Group's continuing operations, Mediclinic, the Pembani Remgro Infrastructure Fund (PRIF), Kagiso Tiso Holdings Proprietary Limited (KTH) and FirstRand Limited (FirstRand), as well as higher interest income and a foreign exchange gain realised on foreign exchange contracts entered in respect of the acquisition of the additional 5.4% indirect interest in Mediclinic. The increase is partly offset by lower contributions from TotalEnergies Marketing South Africa Proprietary Limited (TotalEnergies), RCL Foods Limited (RCL Foods) and Grindrod (due to its unbundling), as well as transaction costs relating to the Mediclinic acquisition and the Distell/Heineken transaction. In addition, the comparative year also included the contributions of Grindrod Shipping (which was disposed of) and the discontinued operations of OUTsurance Group (OUTsurance Group unbundled its investments in Discovery and Momentum Metropolitan, as well as disposed of its investment in Hastings).

The aforementioned various corporate actions impacted the comparability of Remgro's headline earnings over the past two years. Excluding the impact on headline earnings of these corporate actions, the headline earnings increased by approximately 27% reflecting a resilient underlying performance of Remgro's portfolio, thus maintaining positive earnings momentum despite a challenging business environment.

Contribution to headline earnings by reporting platform

R million	**Year ended 30 June 2023**	% change	Year ended 30 June 2022
Healthcare	**1 691**	*33.5*	1 267
Consumer products	**1 208**	*(36.6)*	1 906
Financial services	**960**	*10.9*	866
Infrastructure	**317**	*(48.3)*	613
Industrial	**868**	*(51.8)*	1 800
Diversified investment vehicles	**834**	*777.9*	95
Media	**171**	*(3.9)*	178
Portfolio investments	**804**	*81.1*	444
Social impact investments	**(24)**	*(20.0)*	(20)
Central treasury			
– finance income	**650**	*190.2*	224
– finance costs	**(628)**	*(0.2)*	(627)
Other net corporate income/(costs)	**205**	*181.3*	(252)
Headline earnings	**7 056**	*8.7*	6 494

Refer to the composition of headline earnings on page 35 for further information.

Commentary on reporting platforms' performance

Healthcare

Mediclinic's contribution to Remgro's headline earnings amounted to R1 691 million (2022: R1 267 million), representing an increase of 33.5%. Included in Mediclinic's contribution is an additional provision for transaction costs incurred before 30 June 2023 amounting to R539 million, relating to the acquisition by Manta Bidco Limited (Bidco), a newly formed company which is jointly owned by Remgro and MSC Mediterranean Shipping Company SA, of the entire issued ordinary share capital of Mediclinic, other than the Mediclinic shares Remgro already owned (the Mediclinic acquisition). Bidco and Mediclinic provided for transaction costs of R247 million and R292 million, respectively, which is in addition to the R73 million that has already been accounted for in Mediclinic's results for their year ended 31 March 2023. As a result of the Mediclinic acquisition, Remgro's indirect interest in Mediclinic increased from 44.6% to 50.0% (or by 5.4%) on 6 June 2023, the date on which the Mediclinic shareholders received their offer prices. For the 2024 financial year, Remgro will account for Mediclinic's results for the year ending 31 March 2024 at 44.6% for the first two months and at 50.0% for the following 10 months.

Mediclinic uses adjusted earnings, which removes volatility associated with certain types of significant income and charges, to assess financial and operational performance and as a method to provide investors and analysts with complementary information to better understand its financial performance. The adjustments for the year under review included the above-mentioned transaction costs, a positive Swiss cantonal tax rate change, a decrease of a redemption liability (re Clinique des Grangettes) and an accelerated depreciation charge (re Klinik St. Anna). The comparative period also included an accelerated depreciation charge (re Klinik St. Anna) and past service costs, relating to Swiss and Middle East retirement plan changes. Remgro's portion of Mediclinic's adjusted earnings amounted to R1 748 million (2022: R1 508 million), representing an increase of 15.9%. In British pound terms, Mediclinic reported an increase in adjusted earnings of 15%.

Mediclinic experienced a testing first-half performance but, notwithstanding the continued macroeconomic pressures, delivered an improved performance in the second half of its 31 March 2023 financial year. Revenue increased by 12% (up 4% in constant currency terms), driven by an 11.2% growth in inpatient admissions and a 16.2% growth in day case admissions, partly offset by lower average revenue per case due to mix changes, exacerbated by the post-Covid-19 environment, and below-inflation tariff increases. Adjusted EBITDA increased by 9% and the adjusted EBITDA margin was 15.8% (2022: 16.1%), reflecting softer revenue performance, increased employee costs due to general nurse shortages in Switzerland and pronounced seasonality and additional headcount related to capacity expansion in the Middle East. Adjusted depreciation and amortisation increased by 13%, resulting from increased investment in infrastructure and medical equipment post Covid-19, and adjusted net finance cost increased by 8%. The adjusted equity accounted income amounted to a profit of £5 million (2022: a loss of £13 million), reflecting Spire's contribution.

Consumer products

Distell's contribution to Remgro's headline earnings amounted to R555 million (2022: R735 million). The contribution for the year under review only included Remgro's portion of Distell's results for the 10 months ended April 2023, the date on which the Distell/Heineken transaction was implemented. Compared to the 10 months ended April 2022, Distell's headline earnings decreased by 5.5% mainly due to abnormal merger integration and deal compensation costs of R619 million (2022: R49 million) relating to the Distell/Heineken transaction. Distell discloses normalised earnings, adjusted for abnormal transactions and currency movements, to indicate its businesses' performance. The abnormal transactions mainly included the above-mentioned costs and the net losses of the civil unrest in South Africa in the comparative year of R20 million. For the 10 months to April 2023, Distell reported an increase in normalised headline earnings of 16.3%, mainly due to an increase of 13.8% in gross revenue on 6.4% higher volumes. Domestic revenue and volumes (including the BLNE countries) increased by 13.5% and 7.5%, respectively, with ciders and RTDs growing revenues by double digits. Revenue in the African markets, outside South Africa, increased by 14.4% despite a decrease of 2.6% in volumes, also driven by strong growth by key cider and RTD brands (*Hunter's* and *Savanna* being the standout performers). In the international markets, outside Africa, revenue and volumes increased by 14.7% and 6.0%, respectively, driven by the branded Scotch whisky portfolio and sales of bulk spirits. The cost of goods sold increased by 22% mainly due to global supply chain disruptions, high input cost increases driven by global inflationary pressures, elevated commodity prices and glass and aluminium can shortages.

In addition to Distell's contribution, Remgro also accounted for amortisation and depreciation charges of R32 million

(2022: R11 million) relating to the additional assets identified when Remgro obtained control over Distell on 11 May 2018. The increase is mainly due to a positive deferred tax rate adjustment in the prior year resulting from the reduction in the corporate income tax rate from 28% to 27%.

Heineken Beverages' contribution to Remgro's headline earnings, which consists of Remgro's portion of Heineken Beverages' results for the two months ended 30 June 2023, amounted to a loss of R75 million. Heineken Beverages' contribution includes amortisation and depreciation charges of R56 million relating to the additional assets identified when Heineken Beverages obtained control over Distell and Namibia Breweries on 26 April 2023. Excluding these charges, Heineken Beverages' contribution amounted to a loss of R19 million, mainly as a result of a constrained consumer environment and load shedding affecting consumer behaviour, as well as supply chain challenges, most notably on malt and glass, due to global price volatility, local supplier constraints and volatile demand.

In addition to Heineken Beverages' contribution, Remgro also accounted for amortisation and depreciation charges of R6 million relating to the additional assets identified when Remgro obtained significant influence over Heineken Beverages on 26 April 2023.

Capevin's contribution to Remgro's headline earnings, which consists of Remgro's portion of Capevin's results for the two months ended 30 June 2023, amounted to R14 million. Capevin's year-on-year profit from continuing operations, which excludes Gordon's Gin due to it being classified as a discontinued operation, increased by 13.2%. This increase is mainly due to strong revenue growth of the single malt whiskies and also Scottish Leader.

RCL Foods' contribution to Remgro's headline earnings amounted to R488 million (2022: R846 million), representing a decrease of 42.3%. This decrease is mainly due to the continued unrecovered cost pressure in Rainbow and a special sugar levy raised by the South African Sugar Association (SASA) of R171 million (after-tax), relating to Tongaat Hulett Sugar and Gledhow Sugar Company suspending payment of their industry obligations. RCL Foods discloses underlying headline earnings from continuing operations, which excludes the special sugar levy, *IFRS 9* fair value adjustments on commodity contracts entered as part of the raw material procurement strategy, the direct cost impact of the fire at RCL Foods' sugar warehouse in Komatipoort, impairments of cash generating units due to a lower forecast and Vector Logistics' earnings due to it being classified as a discontinued operation. Underlying headline earnings from continuing operations provides users of RCL Foods' results with relevant information and measures used by itself to assess performance.

RCL Foods reported a decrease in underlying headline earnings from continuing operations of 20.0%. Rainbow's revenue increase of 18.3%, benefitting from strong demand, increased market share and price increases in the Quick Service Restaurant (QSR) sector, proved insufficient to offset the severe impacts of high feed costs, failing municipal infrastructure and load shedding which, in addition to generator costs, also resulted in additional feed and labour requirements. Despite implementing price increases where feasible in the Groceries and Baking business units, these have also been insufficient to offset the cost-push leading to margin compression. Within the Groceries business unit, the Groceries operating unit was most impacted by load shedding, with production being reduced by up to 50% of demand in Pet Food from November 2022 to April 2023. The Baking business unit's underlying EBITDA result was largely in line with the prior year despite lower volumes overall and compressed margins in the Bread, Buns & Rolls operating unit. Excluding the above-mentioned special sugar levy, the Sugar business unit had a very strong performance, driven by a combination of improved throughput (due to a larger cane crop), increased local sales (led by strong growth in the industrial channel) and continued favourable export pricing.

The headline earnings contribution from **Siqalo Foods** Proprietary Limited (Siqalo Foods) amounted to R344 million (2022: R401 million), representing a decrease of 14.2%. The trading environment remained challenging due to volatile commodity prices and exchange rates, increased load shedding and rising inflation and interest rates. Due to continued cost pressure Siqalo Foods was required to take another price increase in October 2022, the full impact of which the business was unable to pass to the already cash-strapped consumer. Siqalo Foods has experienced a decrease of 5.2% in volumes, as consumer spend was negatively impacted by the elevated inflationary environment. The decrease in volumes coupled with a 17.6% increase in material cost, driven by volatile commodity prices and exchange rates, resulted in a 7.8% overall decrease in operational EBITDA, which excludes *IFRS 9* fair value adjustments on commodity and foreign exchange contracts entered as part of the raw material procurement strategy.

In addition to Siqalo Foods' contribution, Remgro also accounted for amortisation and depreciation charges of R80 million (2022: R65 million) relating to the additional assets identified when Remgro obtained control over Siqalo Foods on 2 July 2018. The increase is mainly due to a positive deferred tax rate adjustment in the prior year resulting from the reduction in the corporate income tax rate from 28% to 27%.

Financial services

OUTsurance Group's contribution to Remgro's headline earnings increased by 11.6% to R888 million (2022: R796 million). During the 2022 financial year OUTsurance Group unbundled its investments in Discovery and Momentum Metropolitan (the OUTsurance Group unbundling), as well as disposed of its investment in Hastings. As a result, these investments were only equity accounted until 8 December 2021, the date on which the investment in Hastings was disposed of and the OUTsurance Group unbundling became highly probable. The results for the year under review is therefore not comparable with the prior year.

Remgro's portion of OUTsurance Group's headline earnings from continuing operations increased by 99.6% to R888 million (2022: R445 million), which excludes the contributions of Discovery, Momentum Metropolitan and Hastings. On a normalised basis, which excludes certain anomalies, OUTsurance Group reported an increase of 62.2% in earnings from continuing operations. This increase is mainly due to higher earnings from OUTsurance Holdings Limited (OUTsurance), the most significant remaining asset in OUTsurance Group, and lower funding costs as the Hastings proceeds were utilised to settle OUTsurance Group's debt in the prior year.

OUTsurance's earnings (excluding its share in Hastings in the comparative year) increased by 44.4% mainly due to pleasing financial and operational results from Youi Australia, as strong premium growth continued and favourable weather conditions supported the significant increase in profitability. Youi delivered strong gross written premium growth of 31.4% (aided by a weaker rand against the Australian dollar) and the claims ratio decreased significantly from 60.8% in the prior year to 56.4% in 2023. The cost-to-income ratio also decreased from 33.5% to 31.6%, driven by higher revenue growth and improved cost containment despite inflationary pressure. Youi's investment income increased significantly due to the rapid increase in interest rates linked to aggressive monetary policy actions in Australia to offset rising inflation. In South Africa, accelerating premium inflation contributed positively to the growth in gross written premium of the short-term insurance operation.

Business Partners Limited's (Business Partners) contribution to Remgro's headline earnings increased to R72 million (2022: R70 million). This increase is mainly due to the increase in net interest income, primarily due to an increase in the average prime interest rate, partly offset by the release of lower credit impairments.

Infrastructure

Community Investment Ventures Holdings Proprietary Limited's (**CIVH**) contribution to Remgro's headline earnings amounted to R206 million (2022: R47 million). The increase in earnings is mainly due to improved performances by CIVH's underlying businesses. The performance of the underlying businesses, being mainly Dark Fibre Africa Proprietary Limited (DFA) and Vumatel Proprietary Limited (Vumatel), improved due to network expansion, partly offset by an increase in finance costs. DFA's revenue increased by 6.8% to R2 653 million, while its annuity income increased to R213 million per month at 31 March 2023 (31 March 2022: R198 million per month). Vumatel's revenue increased by 15.1% to R3 432 million, driven by its fibre infrastructure expansion programme and subscriber uptake growth.

Grindrod and **SEACOM** Capital Limited's (SEACOM) contributions to Remgro's headline earnings amounted to R61 million and R47 million (2022: R263 million and R37 million), respectively. Grindrod was equity accounted until 26 September 2022, the date on which Remgro agreed to unbundle the investment.

Other infrastructure investments include the contribution of **Grindrod Shipping** in the comparative year amounting to R267 million. Grindrod Shipping was equity accounted until 25 November 2021, the date on which Remgro agreed to dispose of its investment.

Industrial

Air Products South Africa Proprietary Limited's (Air Products) contribution to Remgro's headline earnings increased by 12.8% to R476 million (2022: R422 million). Overall trading conditions for the year under review were mixed. Erratic and generally lower levels of demand from several large tonnage customers, combined with high levels of plant maintenance activity, weighed on results in this area of the business. Packaged gases volumes continued to improve and the acquisition of Weldamax, a welding consumables and equipment supplier, further enhanced performance in this sector despite significant input cost pressures.

TotalEnergies' contribution to Remgro's headline earnings amounted to R54 million (2022: R1 076 million). Included in the contribution to headline earnings for the year under review were negative stock revaluations amounting to R252 million (2022: positive stock revaluations of R642 million). The revaluations for the year under review resulted from the drop in the Brent Crude price from 1 July 2022 to 30 June 2023. Excluding these revaluations, the contribution decreased by 29.5% from R434 million to R306 million. This decrease is mainly due to higher input costs, heavily impacted by supply challenges experienced on the importation of fuel products.

Wispeco Holdings Proprietary Limited's (Wispeco) contribution to Remgro's headline earnings increased by 11.4% to R313 million (2022: R281 million). Turnover for the year increased by 6.0% to R3 813 million (2022: R3 598 million). This is mainly a result of higher sales prices, with aluminium extrusion volumes being marginally lower than the prior year. Volumes were negatively impacted by lower business confidence, as well as reduced activity levels in the commercial and residential building sectors. In its pressure die casting business, a stable gross margin together with higher export volumes of brass castings yielded a higher contribution to Wispeco's profits.

Other industrial investments consist of PGSI Limited's (PGSI) contribution to Remgro's headline earnings, which amounted to a profit of R25 million (2022: R21 million).

Diversified investment vehicles

KTH's contribution to Remgro's headline earnings amounted to R437 million (2022: R80 million). The increase in KTH's earnings is mainly due to a debt forgiveness gain (the lender waived its right to receive the outstanding amount of a loan to KTH) of R520 million as part of the disposal of KTH's investment in Actom Investment Holdings Proprietary Limited. The year under review also includes a positive fair value adjustment on KTH's investment in Momentum Metropolitan preference shares of R99 million (2022: negative adjustment of R152 million).

The contribution from **other diversified investment vehicles** to Remgro's headline earnings amounted to R397 million (2022: R15 million). The year under review includes dividends from PRIF amounting to R358 million, which relates to PRIF's disposal of its investment in the ETG Group.

Media

eMedia Investments Proprietary Limited's (eMedia Investments) contribution to Remgro's headline earnings decreased by 10.3% to R130 million (2022: R145 million). This decrease should be viewed in light of the continued load shedding and the impact that this has had on the advertising cake, foreign exchange rate and the impact of diesel usage on the business. Revenue was in line with the previous year despite the under-pressure television advertising cake and a reduction in the eNCA licence fee received from MultiChoice. eMedia Investments once again outperformed the market in terms of advertising revenue in both the television and radio market. This benefit in advertising revenues can be attributed to eMedia Investments maintaining prime time audience market share at 34.5% (31 March 2022: 34.1%), a slight increase year-on-year. e.tv continues to face the impact of the uncertainty of the imminent analogue switch-off facing the country, but eMedia Investments is confident that the audience share will be carefully managed. The set-top box activations for Openview for the year amounted to 513 840, taking the amount of activated set-top boxes to 3 166 461 activated at 31 March 2023.

Portfolio investments

The contribution from portfolio investments to headline earnings amounted to R804 million (2022: R444 million). Dividends from **FirstRand**, which include a special dividend received during October 2022 (R154 million), amounted to R605 million (2022: R389 million). As a result of the OUTsurance Group unbundling, Remgro received 51 254 365 Discovery shares and 122 908 061 Momentum Metropolitan shares. Both investments were classified as financial instruments at fair value through other comprehensive income. During the year under review, dividends of R141 million were received from **Momentum Metropolitan**. No dividends were declared and paid by **Discovery**.

Other portfolio investments include the dividends received from British American Tobacco plc (**BAT**) and Reinet Investments SCA (**Reinet**) amounting to R58 million (2022: R55 million).

Social impact investments

Social impact investments primarily consist of interests in the **Blue Bulls** rugby franchise and Stellenbosch Academy of Sport Proprietary Limited (**SAS**).

Central treasury and other net corporate income/(costs)

Finance income amounted to R650 million (2022: R224 million). This increase is mainly due to the increase in the South African repo rate and a higher average cash balance, due to the disposal of 60 million FirstRand shares and Remgro's investment in Grindrod Shipping. Finance costs amounted to R628 million (2022: R627 million). Other net corporate income of R205 million (2022: net corporate costs of R252 million) includes an after-tax foreign exchange gain of R522 million realised on foreign exchange contracts entered in respect of the acquisition of the additional 5.4% indirect interest in Mediclinic.

Earnings

Total earnings decreased by 26.8% to R9 624 million (2022: R13 139 million) mainly due to Remgro's portion of the profit realised by OUTsurance Group on the unbundling of its investments in Discovery and Momentum Metropolitan (totalling R4 667 million) and the disposal of its investment in Hastings (R1 465 million), accounted for in the comparative year, partly offset by the profit realised on the Distell/Heineken transaction (R3 384 million) during the year under review.

Cash at the centre and foreign exchange rates

On 30 June 2023 Remgro's cash at the centre amounted to R9 001 million (2022: R12 280 million), of which 35% was invested offshore (2022: 20%). The cash is held in different currencies of which approximately 66% was held in SA rand and 33% in USA dollar.

Foreign exchange profits amounting to R386 million (2022: R299 million) were accounted for during the year under review, mainly due to the weakening of the SA rand against the USA dollar from R16.30 = $1.00 at 30 June 2022, to R18.83 = $1.00 at 30 June 2023. For accounting purposes these exchange movements are accounted for directly in equity.

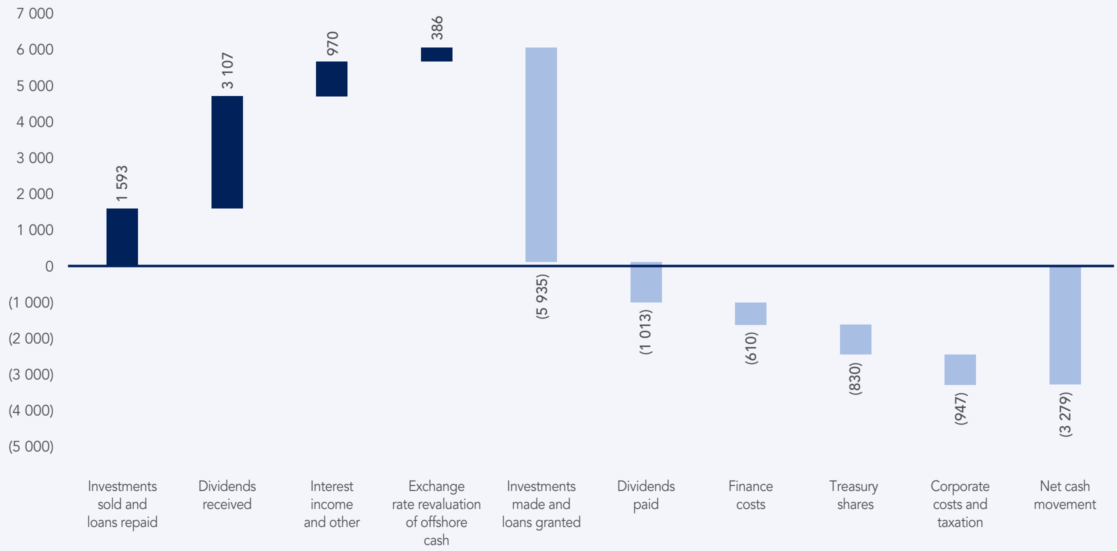
Remgro's offshore cash is earmarked for potential new investments and the expansion of existing offshore investments (USA dollar).

Cash at the centre

	30 June 2023			
	Currency value million	**Exchange rate**	**R million**	30 June 2022 R million
SA rand			**5 964**	9 850
USA dollar	**156.2**	**18.8263**	**2 940**	2 392
British pound	**3.4**	**23.8001**	**82**	27
Swiss franc	**0.7**	**20.9599**	**15**	11
			9 001	12 280

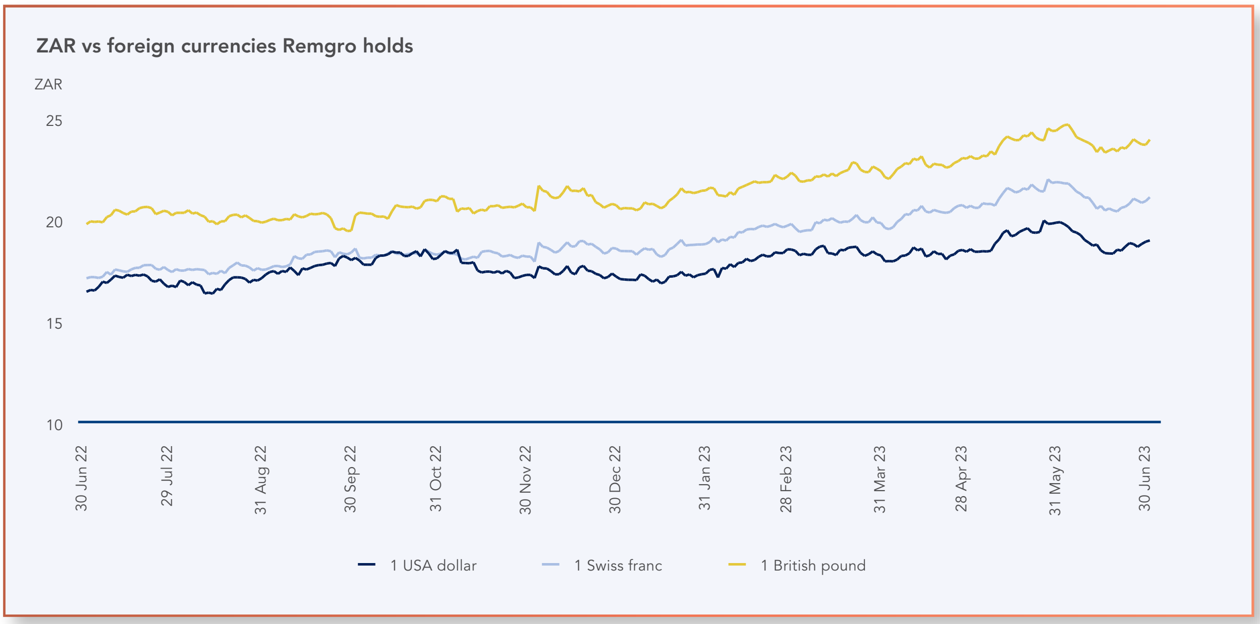
Cash movement at the holding company (cash at the centre)

R million



Closing exchange rates	**30 June 2023**	30 June 2022	*Movement %*
USD/ZAR	**18.8263**	16.2958	*(15.5)*
GBP/ZAR	**23.8001**	19.6301	*(21.2)*
CHF/ZAR	**20.9599**	16.9603	*(23.6)*

Average exchange rates	**Year ended 30 June 2023**	Year ended 30 June 2022	*Movement %*
USD/ZAR	**17.7451**	15.2046	*(16.7)*
GBP/ZAR	**21.3557**	20.2207	*(5.6)*
CHF/ZAR	**18.9141**	16.3062	*(16.0)*



External funding

During the 2016 financial year, Remgro (through its wholly owned subsidiary Remgro Healthcare Holdings Proprietary Limited (RHH)) issued Class A preference shares of R3.5 billion (four-year tenure and a fixed dividend rate of 7.7%) and Class B preference shares of R4.4 billion (five year tenure and a fixed dividend rate of 8.3%). During March 2019 the maturity date of the Class A preference shares was extended to 15 January 2024 (at a fixed dividend rate of 7.5% effective from 17 June 2019) and the Class B preference shares was extended to 17 March 2025 (at a fixed dividend rate of 7.8% effective from 16 March 2021).

Dividends

The final dividend per share was determined at 160 cents (2022: 100 cents). Total ordinary dividends per share in respect of the year to 30 June 2023 therefore amounted to 240 cents (2022: 150 cents), representing an increase of 60.0%.

Intrinsic net asset value

Remgro's intrinsic net asset value per share at 30 June 2023 was R248.47 compared to R213.10 on 30 June 2022. Refer to the Chief Executive Officer's Report on page 21 for a detailed discussion regarding Remgro's intrinsic net asset value and its relative performance with certain selected JSE indices.

Accounting policies

The Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The accounting policies have been consistently applied to both years presented. During the year under review various other interpretations and amendments became effective, but their implementation had no impact on the results of either the current or prior years.

Risk and opportunities management

The Company has implemented a comprehensive Risk and Opportunities Management Policy that is based on the principles of the international COSO (Committee of Sponsoring Organisations of the Treadway Commission) Enterprise Risk Management – Integrated Framework and complies with the recommendations of the King IV Report on Corporate Governance for South Africa (2016). An extensive risk and opportunities management structure furthermore ensures the effective and efficient management of risk and opportunities within the Group.

Remgro's risk and opportunities management process is summarised in the Risk and Opportunities Management Report on page 122, as well as in note 13 to the comprehensive Annual Financial Statements that is published on the Company's website at www.remgro.com.

Neville Williams
Chief Financial Officer

Stellenbosch
20 September 2023

Composition of headline earnings

R million	Year ended 30 June 2023	% change	Year ended 30 June 2022
Healthcare			
Mediclinic	**1 691**	*33.5*	1 267
Consumer products			
Distell – entity contribution	**555**	*(24.5)*	735
– *IFRS 3* charge[1]	**(32)**	*(190.9)*	(11)
Heineken Beverages – entity contribution	**(75)**	*nm*	
– *IFRS 3* charge[1]	**(6)**	*nm*	
Capevin	**14**	*nm*	
RCL Foods	**488**	*(42.3)*	846
Siqalo Foods – entity contribution	**344**	*(14.2)*	401
– *IFRS 3* charge[1]	**(80)**	*(23.1)*	(65)
Financial services			
OUTsurance Group	**888**	*11.6*	796
Business Partners	**72**	*2.9*	70
Infrastructure			
CIVH	**206**	*338.3*	47
Grindrod	**61**	*(76.8)*	263
SEACOM	**47**	*27.0*	37
Other infrastructure investments	**3**	*(98.9)*	266
Industrial			
Air Products	**476**	*12.8*	422
TotalEnergies	**54**	*(95.0)*	1 076
Wispeco	**313**	*11.4*	281
Other industrial investments	**25**	*19.0*	21
Diversified investment vehicles			
KTH	**437**	*446.3*	80
Other diversified investment vehicles	**397**	*2 546.7*	15
Media			
eMedia Investments	**130**	*(10.3)*	145
Other media investments	**41**	*24.2*	33
Portfolio investments			
FirstRand	**605**	*55.5*	389
Momentum Metropolitan	**141**	*nm*	–
Other portfolio investments	**58**	*5.5*	55
Social impact investments	**(24)**	*(20.0)*	(20)
Central treasury			
Finance income	**650**	*190.2*	224
Finance costs	**(628)**	*(0.2)*	(627)
Other net corporate income/(costs)	**205**	*181.3*	(252)
Headline earnings	**7 056**	*8.7*	6 494
Weighted number of shares (million)	**562.7**	*(0.3)*	564.4
Headline earnings per share (cents)	**1 254**	*8.9*	1 151

nm = not meaningful

(1) *IFRS 3 charge represents the amortisation and depreciation expenses, net of tax, relating to the additional assets identified when Remgro acquired these investments.*

INVESTMENT reviews

As a responsible steward, Remgro aims to create **sustainable stakeholder value** by investing in a portfolio of businesses that can **deliver superior earnings, dividend and capital growth** over the long term, whilst contributing to measurable positive social and environmental impact.

INVESTING in sectors

with a solid track record

Healthcare
- MEDICLINIC GROUP

Consumer products
- DISTELL
- HEINEKEN beverages
- CVH A Spirits Company
- RCL FOODS
- SIQALO FOODS

Financial services
- OUTSURANCE
- BusinessPartners The Entrepreneur's Financier

Infrastructure
- Community Investment Ventures Holdings
- SEACOM
- Ubiquity Energy

Industrial
- AIR PRODUCTS
- TotalEnergies
- WISPECO Aluminium
- PGSI PGSI Limited

Diversified investment vehicles
- kth
- PRESCIENT
- Milestone Capital 麦顿投资
- invenfin
- PEMBANI • REMGRO INFRASTRUCTURE FUND
- ASIA PARTNERS

Media
- e

Portfolio investments
- FirstRand
- Discovery
- momentum METROPOLITAN
- BAT A BETTER TOMORROW

Social impact investments
- BULLS
- SAS Stellenbosch Academy of Sport
- Stellenbosch Football Club

HEALTHCARE

Contribution to headline earnings	**30 June 2023 R million**	30 June 2022 R million
Mediclinic	**1 691**	1 267

MEDICLINIC GROUP

50.0% Effective Interest

Profile:

Mediclinic's business consists of the provision of comprehensive, high-quality hospital services on a cost-effective basis in Southern Africa, the United Arab Emirates, Switzerland and the United Kingdom.

Corporate information

Equity valuation at 30 June 2023: £3 972 million

Unlisted

Chief Executive Officer: R van der Merwe

Remgro nominated directors:
J J Durand, P J Uys, A Elias, S Crouse (alternate)

Website: www.mediclinic.com

FINANCIAL HIGHLIGHTS	Year ended 31 March 2023 £ million	%
Revenue	**3 618**	**11.9**
Operating profit	**78**	**(72.1)**
Adjusted earnings	**192**	**15.0**

Sustainability measures

CSI/Training spend: R112 million

Number of employees: 36 496

BBBEE status: Level 4

Environmental aspect:
Scope 1 and 2 emissions of 205 281 tonnes CO_2e

Mediclinic Group Limited (Mediclinic)

Mediclinic has a March year-end and the results for the 12 months to 31 March 2023 have been equity accounted at 44.6% in Remgro's results for the year under review. Mediclinic's contribution to Remgro's headline earnings for the year under review amounted to R1 691 million (2022: R1 267 million), representing an increase of 33.5%. Included in Mediclinic's contribution is an additional provision for transaction costs incurred before 30 June 2023 amounting to R539 million, relating to the acquisition by Manta Bidco Limited (Bidco), a newly formed company that is jointly owned by Remgro and MSC Mediterranean Shipping Company SA, of the entire issued ordinary share capital of Mediclinic, other than the Mediclinic shares Remgro already owned (the Acquisition). Bidco and Mediclinic provided for transaction costs of R247 million and R292 million, respectively, which is in addition to the R78 million that has already been accounted for in Mediclinic's results for the year ended 31 March 2023. As a result of the Acquisition, Remgro's indirect interest in Mediclinic increased from 44.6% to 50.0% (or by 5.4%) on 6 June 2023, the date on which the Mediclinic shareholders received their offer price. For the 2024 financial year, Remgro will account for Mediclinic's results for the year ending 31 March 2024 at 44.6% for the first two months and at 50.0% for the following 10 months.

Mediclinic uses adjusted income statement reporting as non-IFRS measures in evaluating performance and as a method to provide clear and consistent reporting.

Mediclinic experienced a difficult first half, and notwithstanding the continued macroeconomic pressures, delivered an improved second half performance. Mediclinic's revenue was up 12% at £3 618 million (2022: £3 233 million) and up 4% in constant currency terms, driven by an 11.2% growth in inpatient admissions and a 16.2% growth in day case admissions, partly offset by lower average revenue per case due to mix changes, exacerbated by the post-Covid-19 environment, and below-inflation tariff increases.

Adjusted EBITDA was up 9% at £570 million (2022: £522 million) and up 1% in constant currency terms. The adjusted EBITDA margin was 15.8% (2022:16.1%), reflecting softer revenue performance, increased employee costs due to general nurse shortages in Switzerland and pronounced seasonality and additional headcount related to capacity expansion in the Middle East.

Switzerland's revenue increased by 1% to CHF1 900 million (2022: CHF1 885 million), driven by inpatient revenue growth of 2% and outpatient and day case revenue growth of 3%, offset by reducing revenues from Covid-19-related testing and vaccination activities. Admission growth was impacted by a general shortage of nursing employees, leading to capacity constraints in certain parts of the division. The constrained revenue growth, combined with the elevated spend on temporary and overtime employee costs due to general nurse shortages, resulted in a 6% decrease in adjusted EBITDA to CHF280 million (2022: CHF297 million). The adjusted EBITDA margin was 14.7% (2022: 15.6%).

Southern Africa's revenue increased by 6% to R19 506 million (2022: R18 416 million), reflecting strong client activity. Paid patient days increased by 7%; however, average revenue per bed day was down 1.1%, reflecting an expected change in mix following prior periods with more pronounced Covid-19 cases. The average length of stay was down 7.3% reflecting the decrease in longer stay Covid-19 patients and a significant increase in day case admissions. Adjusted EBITDA increased by 10% to R3 775 million (2022: R3 430 million), driven by revenue performance and responsible cost management, delivering an improved adjusted EBITDA margin of 19.4% (2022: 18.6%).

The Middle East revenue increased by 8% to AED4 459 million (2022: AED4 111 million), recovering from the pronounced seasonality in the first half following the lifting of Covid-19 travel restrictions. Inpatient admissions and day cases were up 17% and outpatient cases were up 14%. However, this was offset by a decrease in the average revenue per inpatient and day case admission by 9% and in average revenue per outpatient case by 4%, reflecting mix changes in the post-Covid-19 environment. Pharmacy revenue increased by 15% and contributed approximately 20% of total revenues for the division. Adjusted EBITDA increased by 4% to AED641 million (2022: AED614 million), reflecting additional headcount, due to the investment for growth in new and existing facilities, which, combined with the growth in pharmacy revenue, resulted in a marginal decrease in adjusted EBITDA margin to 14.4% (2022: 14.9%).

CONSUMER PRODUCTS

Contribution to headline earnings	30 June 2023 R million	30 June 2022 R million
Distell – entity contribution	**555**	735
– *IFRS 3* charge	**(32)**	(11)
Heineken Beverages – entity contribution	**(75)**	–
– *IFRS 3* charge	**(6)**	–
Capevin	**14**	–
RCL Foods	**488**	846
Siqalo Foods – entity contribution	**344**	401
– *IFRS 3* charge	**(80)**	(65)
	1 208	1 906

DISTELL
CRAFTING BRANDS SINCE 1925

Profile:

Distell produces and markets fine wines, spirits and flavoured alcoholic beverages in South Africa and internationally.

FINANCIAL HIGHLIGHTS	10 months ended 30 April 2023 R million	%
Revenue	**31 645**	**13.6**
EBITDA	**4 257**	**18.8**
Headline earnings	**1 835**	**(0.8)**

Sustainability measures

CSI/Training spend: R88 million

Number of employees: 4 727

BBBEE status: Level 3

Environmental aspect:
Scope 1 and 2 emissions of 186 595 tonnes CO_2e

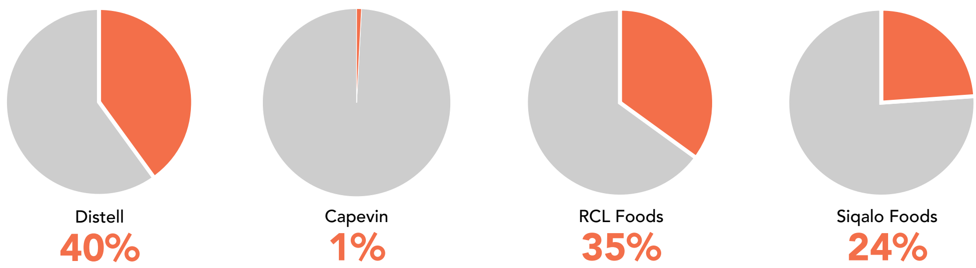
Distell Group Holdings Limited (Distell)

In terms of the scheme of arrangements in terms of section 114 of the Companies Act between Distell and the Distell shareholders – to which Heineken and Heineken Beverages are parties – and as approved by Distell shareholders in February 2022:

- Heineken Beverages acquired all the scheme shares in the Distell entities owning the Distell In-Scope Assets – being the cider, RTD beverages, spirits and wine business of Distell – with effect 1 May 2023 (discontinued operations). Remgro received shares in Heineken Beverages as compensation for the shares it previously held in the Distell In-Scope Assets.
- The Distell Out-of-Scope Assets – the Scotch Whisky and Gordon's Gin business – remains with Capevin, with Remgro retaining a shareholding in Capevin in the same proportion as its holding in Distell (continuing operations).

Distell's contribution to Remgro's headline earnings for the 10 months ended 30 April 2023 amounted to R555 million (2022: R735 million). The comparatives are for the 12 months to 30 June 2022. Including an additional *IFRS 3* charge of

Contribution to platform
(excluding IFRS 3 charges and negative contributions to headline earnings)



R32 million accounted for at Remgro level, Distell's contribution amounted to R523 million (2022: R724 million).

All comparatives are for 10 months ending 30 April 2022. Distell's reported headline earnings for the 10 months to 30 April 2023 decreased by 5.5% to R1 747 million (2022: R1 849 million). The decrease in headline earnings is mainly due to abnormal merger and integration and deal compensation costs of R619 million (2022: R49 million) relating to the Heineken transaction. Distell's revenue increased by 13.6% to R31 645 million (R27 862 million) due to higher volumes. Revenue excluding excise duty increased by 15.7%

Southern Africa gross revenue increased by 13.5% with volumes up by 7.5%. Volumes in BLNE (Botswana, Lesotho, Namibia and Eswatini) countries recovered following extended lockdown periods due to Covid-19 in the prior year. Cider and ready-to-drinks (RTDs) grew revenue by double-digits. The growth momentum continues across key brands including Savanna, Extreme and Bernini. The wine category showed revenue growth mainly coming from *Drostdy Hof, J.C. Le Roux* sparkling wine, and *Sedgwick's* Old Brown. Flat growth in the spirits category was experienced due to consumers moving towards value categories. Load shedding remains a serious threat to our customers, affecting sales. The impact is particularly severe in the mainstream market where most of the customers do not have generators or other alternatives.

Africa grew gross revenue by 14.4%, largely driven by Kenya, Mozambique and Zambia, where Distell continues to invest in expanding their route-to-market (RTM). Phenomenal growth was achieved by key cider and RTD brands with *Hunter's* and *Savanna* being the standout performers across key markets on the continent. Spirits revenue growth was achieved mainly from *Best Gin* and *Whisky, Viceroy* and *Hunter's Choice*. The relocation of activities to the new production facility in the Tatu City special economic zone in Kenya has commenced, with stock being warehoused in the new facility, and excise licences having been obtained.

The International business' gross revenue grew by 14.7% alongside volume growth of 6.0%, driven by the branded Scotch whisky portfolio and sales of bulk spirits. Premium spirits continue to perform strongly across key markets. Scottish Leader in Taiwan continues to deliver robust performance as the recovery of the on-trade channel progresses. Black Bottle is also growing at a stellar pace driven by Japan and South Korea. Global Travel Retail is performing strongly, remaining on a path of recovery as global travel continues to recover.

CONSUMER PRODUCTS (continued)

HEINEKEN beverages

18.8% **Effective** Interest

Profile:

Heineken Beverages was formed on 26 April 2023 following the merger of Heineken South Africa, Distell and Namibia Breweries Limited. The company's brand portfolio includes the global flagship brand Heineken as well as many other world-class brands, such as *Savanna, Windhoek Lager* and *Nederburg*. Heineken Beverages is firmly rooted in Southern Africa, directly employing over 5 000 people.

Corporate information

Equity valuation at 30 June 2023: R66 229 million

Chief Executive Officer: J Borrut

Remgro nominated directors:
J J Durand, P R Louw

Website: www.heinekenbeverages.co.za

FINANCIAL HIGHLIGHTS	Two months to 30 June 2023 R million
Revenue	**5 782**
Operating loss before additional *IFRS 3* adjustments	**(69)**
Loss before additional *IFRS 3* adjustments	**(108)**

Sustainability measures

CSI/Training spend: R14 million

Number of employees: 5 679

BBBEE status: Level 3

Environmental aspect:
Scope 1 and 2 emissions of 36 773 tonnes CO_2e

Heineken Beverages Holdings Limited (Heineken Beverages)

The results for Heineken Beverages represent only two months of trading at 30 June 2023, with no comparable results for the prior year – as a result meaningful insights from the results will only be forthcoming following a longer trading period.

Heineken Beverages' contribution to Remgro's headline earnings, which consists of Remgro's portion of Heineken Beverages' results for the two months ended 30 June 2023, amounted to a loss of R75 million. Heineken Beverages' results include amortisation and depreciation charges of R56 million relating to the additional assets identified when Heineken Beverages obtained control over Distell and Namibia Breweries on 26 April 2023 (*IFRS 3* adjustments). Excluding these charges, Heineken Beverages' contribution amounted to a loss of R19 million, mainly as a result of a constrained consumer environment and load shedding affecting consumer behaviour, as well as supply chain challenges, most notably on malt and glass, due to global price volatility, local supplier constraints and volatile demand.

In addition to Heineken Beverages' contribution, Remgro also accounted for amortisation and depreciation charges of R6 million relating to the additional assets identified when Remgro obtained significant influence over Heineken Beverages.

Heineken Beverages is well-positioned to capture significant growth opportunities in South Africa and relevant markets in Africa. The business will be able to leverage and optimise the manufacturing footprint of Heineken SA, Distell and Namibia Breweries, leading to more efficient use of its assets and driving increased profitability of the combined business as it grows.

CVH A Spirits Company

31.4% Effective Interest

Profile:

Capevin was unbundled from Distell at the end of April 2023 as part of the Heineken/Distell transaction. With the disposal of the Gordon's Gin brand to Diageo, the largest remaining asset with Capevin going forward is the Scotch Whisky business – CVH Spirits. The company owns award-winning brands which include the single malt trade marks of *Bunnahabhain, Deanston, Tobermory* and *Ledaig* and the blended Scotch whiskies of *Scottish Leader* and *Black Bottle*.

Corporate information

Equity valuation at 30 June 2023: R5 019 million
Chief Executive Officer: K Rycroft
Remgro nominated directors:
J J du Toit, S Crouse, M Lubbe, L Zingitwa, S Nathan
Website: www.CVHspirits.com

FINANCIAL HIGHLIGHTS	12 months to 30 June 2023 R million
Revenue	2 897
Operating loss	(15)
Loss from continuing operations	(111)

Sustainability measures

Training spend: R2 million
Number of employees: 343
Environmental aspect:
Total Energy of 7 750 tonnes CO_2e across distilleries, blending and bottling operations

Capevin Holdings Proprietary Limited (Capevin)

Capevin's contribution to Remgro's headline earnings, which consists of Remgro's portion of Capevin's results for the two months ended 30 June 2023, amounted to R14 million.

Scotch Whisky as a category performed strongly during the past financial year and the portfolio of premium products with its unique point of difference and strong heritage positioned itself as an attractive option for customers and consumers. The single malt whiskies, which include *Bunnahabhain, Deanston, Tobermory* and *Ledaig*, delivered double digit revenue growth. *Scottish Leader* and *Black Bottle* also delivered strong growth in Taiwan and South Korea respectively. A new distribution agreement for *Scottish Leader* in South Africa has been agreed with Craft Liquor Merchants.

Since the acquisition of the whisky business in 2013, a substantial amount of single malt inventory was laid down in casks, which will become available for sale in the coming years to help support strong growth across the portfolio.

During the year, CVH Spirits continued to distribute and manage the wider portfolio of Distell's Wines in Europe and Amarula Cream across key international geographies. Both the South African Wine category and *Amarula Cream* had a challenging year under review with revenue and gross profit showing a double digit decline on prior year. Supply chain challenges and ongoing shipment delays from South Africa also contributed to this performance. The distribution of Wine and Amarula will transition to Heineken Beverages during the 2024 financial year.

In May 2023, Castle Wine entered into a binding agreement with Diageo SA to terminate its licence to distribute *Gordon's Gin* and *Pimm's* brands at fair value, subject to regulatory approvals. Subsequent to financial year-end The Competition Commission South Africa unconditionally approved the transfer of the licence. The 12-month financial results of the disposed Gordon's Gin's business (revenue of R2.3 billion and operating profit of R225 million) has been excluded from the above disclosed revenue and profit numbers in line with IFRS where this needs to be shown as discontinued operations in the income statement.

CONSUMER PRODUCTS (continued)

80.2% **Effective** Interest

Profile:

RCL Foods is a holding company with diversified interests that focuses on two divisions: Food (Groceries, Baking and Sugar) and Rainbow (chicken, including Epol Animal Feed).

Corporate information

Market cap at 30 June 2023: R8 901 million

Listed on: JSE Limited

Chief Executive Officer: P D Cruickshank

Remgro nominated directors:
J J Durand, P R Louw, H J Carse, P J Neethling (alternate)

Website: www.rclfoods.com

FINANCIAL HIGHLIGHTS	Year ended 30 June 2023 R million	%
Revenue from continuing operations	**37 783**	**17.3**
Operating profit from continuing operations	**787**	**(46.4)**
Headline earnings from continuing operations	**540**	**(45.6)**
Headline earnings from total operations	**608**	**(42.3)**

Sustainability measures

CSI/Training spend: R67 million

Number of employees: 21 829

BBBEE status: Level 4

Environmental aspect:
Scope 1 and 2 emissions of 1 022 937 tonnes CO_2e

RCL Foods Limited (RCL Foods)

For the year ended 30 June 2023, RCL Foods' headline earnings from total operations (comprising both continued and discontinued operations) decreased by 42.3% to R608 million (2022: R1 054 million). Remgro's share of the headline earnings from total operations amounted to R488 million (2022: R846 million).

The Vector Logistics segment is classified as a discontinued operation at year-end. The sale of Vector Logistics was completed on 28 August 2023.

RCL Foods' revenue from continuing operations for the year ended 30 June 2023 increased by 17.3% to R37 783 million (2022: R32 201 million). The increase was attributable to higher pricing necessitated by rising input costs.

The underlying view of RCL Foods results excludes material once-offs and accounting adjustments. The underlying results exclude *IFRS 9* (fair value adjustments), the special levy raised by SASA on the sugar business unit, insurance proceeds received relating to the Komatipoort fire and CGU impairments.

The RCL Foods Value-Added Business (Groceries, Baking, Sugar) has delivered an improved set of underlying results despite the challenges posed by high commodity input costs, record levels of load shedding and damage to Sugar agricultural infrastructure during the Nkomazi floods in February 2023. The statutory results were significantly impacted by the sugar industry special levy. Revenue of R24 539 million was 17.3% higher than the prior period (2022: R20 926 million), and underlying EBITDA increased by 10.8% to R2 007.5 million (2022: R1 811.9 million) driven by a strong Sugar performance, partially offset by the impact of load shedding on Pet Food service levels and lower volumes and margins in Groceries and Baking. RCL Foods' basket and the total Food market both experienced a 0.2% volume decline over the last 12 months as cash-strapped consumers reduced their basket sizes. Despite implementing price increases where feasible, these have been insufficient to offset the cost-push in the Groceries and Baking business units, leading to margin compression. Price increases exacerbated consumer affordability constraints and as a result, volumes declined across most categories.

In the Groceries business unit, revenue of R5 034 million was 6.4% higher than the prior period (2022: R4 732 million), and underlying EBITDA decreased by 16.6% to R405.8 million (2022: R486.5 million). The Groceries operating unit was most impacted by load shedding during the year, with production being reduced by up to 50% of demand in Pet Food from November 2022 to April 2023. To address this challenge, five 1.8MW generators were installed at the Randfontein facility which has enabled an improvement in stock levels, albeit at a significant extra cost.

In the Baking business unit, revenue of R8 625 million was 16.2% higher than the prior period (2022: R7 423 million), and underlying EBITDA decreased by 1.4% to R528 million (2022: R556 million). The underlying EBITDA result was largely in line with the prior year despite lower volumes overall and compressed margins in the Bread, Buns & Rolls operating unit. This was due to the extremely price-competitive bread market.

In the Sugar business unit, revenue of R11 101 million was 23.3% higher than the prior period (2022: R9 001 million), and underlying EBITDA increased by 34.3% to R1 054 million (2022: R785 million). The Sugar business unit had a very strong underlying performance, driven by a combination of improved throughput due to a larger cane crop; increased local sales led by strong growth in the industrial channel; and continued favourable export pricing. Statutory EBITDA was reduced by R234.4 million being the impact of the special levy in the second half of the financial year. Legal process is currently under way in relation to Tongaat's non-compliance with its statutory obligations owed to SASA under the Sugar Industry Agreement. This decision resulted in the imposition of a special levy on other industry participants during the 2022/2023 season.

Rainbow's revenue of R13 464 million was 18.3% higher than the prior period (2022: R11 385 million), and underlying EBITDA decreased by 74.9% to R86 million (2022: R343 million). The increase in revenue was due to strong demand, increased market share and price increases in the Quick Service Restaurant (QSR) sector. Underlying EBITDA declined by 74.9% to R86.0 million (2022: R342.9 million), with revenue increases proving insufficient to offset the severe impacts of high feed costs, failing municipal infrastructure and load shedding which, in addition to generator costs, also resulted in additional feed and labour requirements. The Animal Feed business was also challenged by load shedding and by margin pressure arising from high commodity input costs and overcapacity in the industry.

CONSUMER PRODUCTS (continued)

SIQALO FOODS

100.0% **Effective** Interest

Profile:

Siqalo Foods manufactures spreads which it sells under market-leading trade marks.

Corporate information

Equity valuation at 30 June 2023: R6 007 million

Unlisted

Managing Director: R Plumbley

Remgro nominated directors:
J J du Toit, L Zingitwa

Website: www.siqalofoods.com

FINANCIAL HIGHLIGHTS	Year ended 30 June 2023 R million	%
Revenue	3 748	5.7
Operating profit	375	(21.2)
Headline earnings	344	(14.2)

Sustainability measures

CSI/Training spend: R6.85 million

Number of employees: 268

BBBEE status: Level 3

Environmental aspect:
Scope 1 and 2 emissions of 30 893 tonnes CO_2e

Siqalo Foods Proprietary Limited (Siqalo Foods)

Siqalo Foods manufactures spreads, which are sold under market-leading trade marks such as Rama, Flora, Stork and Rondo within the Southern African customs union territories.

Siqalo Foods' contribution to Remgro's headline earnings for the year under review amounted to R344 million (2022: R401 million), excluding additional *IFRS 3* amortisation of R80 million (2022: R65 million). The trading environment remains challenging due to volatile commodity prices and exchange rates, increased load shedding and rising inflation and interest rates. Due to continued cost pressure the business was required to take another price increase in October, the full impact of which the business was unable to pass to the already cash-strapped consumer. Siqalo Foods has experienced a decrease of 5.2% in volumes for the 12 months under review as consumer spend is negatively impacted by the elevated inflationary environment. The decrease in volumes coupled with a 17.6% increase in material cost driven by volatile commodity prices and exchange rates, resulted in a 7.8% overall decrease in operational EBITDA for the 12-month period ended 30 June 2023, which excludes the negative *IFRS 9* fair value adjustments of R26.4 million (2022: positive adjustment of R28.8 million) on commodity and foreign exchange contracts entered into as part of the raw material procurement strategy.

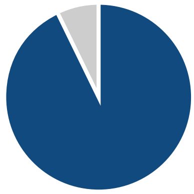
The spreads category remains under pressure with the market actualising 0.2% growth in volumes over the last 12 months in comparison to the prior year. Siqalo Foods continues its steady performance in the category and has actualised a slight decline of -1.9% on its 12-month moving average volume market share to 63.8% as at 30 June 2023 compared to 65.2% in the prior year. The business remains committed to grow its brands and volumes in 2024 while recovering its profit margins during these turbulent times.

Two contracts are in place with RCL Foods. Vector Logistics provides the distribution, sales and merchandising, while a management services contract governs certain services that RCL Foods Shared Services platform provides to Siqalo Foods on an arm's length basis. The result is an innovative, alternative business model, leveraging the capabilities within the wider Remgro Group of companies.

FINANCIAL SERVICES

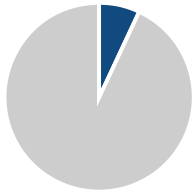
Contribution to headline earnings	30 June 2023 R million	30 June 2022 R million
OUTsurance Group	**888**	796
Business Partners	**72**	70
	960	866

Contribution to platform



OUTsurance Group

93%



Business Partners

7%

30.6% **Effective** Interest

Profile:

OUTsurance Group is a group of leading insurance and financial services providers, operating in two key markets. In South Africa, OUTsurance offers car, home, business, life, funeral and pet insurance, as well as investment services. In Australia, Youi provides car, home, business and CTP (compulsory third party) insurance.

Corporate information

Market cap at 30 June 2023: R52 087 million

Listed on: JSE Limited

Chief Executive Officer: MC Visser

Remgro nominated directors:
J J Durand, F Knoetze (alternate)

Website: www.outsurance.co.za

FINANCIAL HIGHLIGHTS	Year ended 30 June 2023 R million	%
Income	**26 185**	**21.9**
Headline earnings	**2 898**	**11.5**
Normalised headline earnings	**2 875**	**(2.7)**
Normalised headline earnings from continuing operations	**2 875**	**62.2**

Sustainability measures

For more information on its sustainability measures, refer to the website of OUTsurance:

www.outsurance.co.za

OUTsurance Group Limited (OUTsurance Group)

OUTsurance Group's contribution to Remgro's headline earnings increased by 11.6% to R888 million (2022: R796 million). During the 2022 financial year OUTsurance Group unbundled its investments in Discovery and Momentum Metropolitan (the OUTsurance Group unbundling), as well as disposed of its investment in Hastings. As a result, these investments were only equity accounted until 8 December 2021, the date on which the investment in Hastings was disposed of and the OUTsurance Group unbundling became highly probable. The results for the year under review is therefore not comparable with the prior year.

Remgro's portion of OUTsurance Group's headline earnings from continuing operations increased by 99.6% to R888 million (2022: R445 million), which excludes the contributions of Discovery, Momentum Metropolitan and Hastings. On a normalised basis, which excludes certain anomalies, OUTsurance Group reported an increase of 62.2% in earnings from continuing operations. This increase is mainly due to higher earnings from OUTsurance Holdings Limited (OUTsurance), the most significant remaining asset in OUTsurance Group, and lower funding costs as the Hastings proceeds were utilised to settle OUTsurance Group's debt in the prior year.

OUTsurance Group is the listed entity in which Remgro has a 30.6% interest. OUTsurance Group in turn owns 89.8% of OUTsurance Holdings which, in turn, holds 100% interest in the below business units.

FINANCIAL SERVICES (continued)

OUTsurance Group (continued)

The primary business of OUTsurance Group is:

OUTsurance	South African short-term insurance operation which comprises of OUTsurance Personal and OUTsurance Business
OUTsurance Life	South African life insurance operation that includes underwritten and funeral products
OUTsurance Ireland	Planned personal lines property and casualty insurance start-up in the Republic of Ireland
Youi Group	Australian short-term insurance operation

OUTsurance's gross written premium increased by 8.8% to R11 160 million (2022: R10 253 million), due to accelerating premium inflation which follows from a higher general inflation environment. Real growth in the OUTsurance Personal and the direct OUTsurance Business segments were challenging against a difficult South African economic backdrop characterised by rising interest rates and limited economic growth. The claims performance for the year was impacted by the effects of increased load shedding hours, a normalisation of motor claims frequencies to pre-pandemic levels, rising reinsurance costs, increasing motor theft experience and rising claims repair costs. OUTsurance exercised proactive pricing discipline to maintain profit margins.

OUTsurance Life delivered gross written premium growth of 17.8% to R940 million (2022: R798 million) with the funeral segment's gross written premium growing by 49.6%. The funeral segment continued to deliver positive results with the Shoprite Funeral initiative gaining significant traction and delivering a substantial increase in profitability. A key strategic decision made during June 2023 was to discontinue the face-to-face distribution channel established in July 2021. The face-to-face initiative delivered a loss of R93 million compared to R68 million in the prior year. With a discontinuation of this channel, the loss is expected to be extinguished in the next financial year. The embedded value of OUTsurance Life improved by 17.5%, primarily on account of the growth in the funeral book.

Youi delivered a pleasing financial and operational result for the year as strong premium growth continued and favourable weather conditions supported the significant increase in profitability. The gross written premium increased by 31.4% to R16 399 million (2022: R12 481 million). In Australian dollar it was up 21.5%. Premium inflation accelerated sharply since the latter part of the 2022 financial year. The higher premium inflation is attributed to rising claims repair costs, pricing changes to reflect the increased frequency of natural events and catering for the effects of the hardening reinsurance market. The claims ratio decreased significantly from 60.8% in the prior year to 56.4% in 2023. This reduction is primarily attributed to the contrasting weather conditions experienced between the two financial years. On average the rand was 13.3% weaker against the Australian dollar in 2023 which bolstered the translated impact of Youi's premium growth and profitability.

Youi's operations consist of: Youi Direct which is the personal lines direct offering and the largest component of the Youi Group. The Blue Zebra Insurance partnership is a Managing General Agent in the Australian market and distributes products through a broker network and the Steadfast platform. CTP products to cover third-party bodily injury liability in which Youi participates in the New South Wales (since December 2020) and South Australia (since July 2022).

BusinessPartners
The Entrepreneur's Financier

44.1% **Effective** Interest

Profile:

Business Partners is principally engaged in investing capital, knowledge and skill in viable small and medium-sized enterprises (SMEs). The company invests in SMEs by providing funding, support and mentoring to entrepreneurs.

Corporate information

Equity valuation at 30 June 2023: R2 858 million

Unlisted

Chief Executive Officer: B Bierman

Remgro nominated directors:
C W Ceasar, M Lubbe, N J Williams

Website: www.businesspartners.co.za

FINANCIAL HIGHLIGHTS	Year ended 31 March 2023 R million	%
Revenue	**626**	**4.2**
Operating profit	**332**	**(5.7)**
Headline earnings	**164**	**3.8**

Sustainability measures

CSI/Training spend: R6 million

Number of employees: 282

BBBEE status: Level 1

Business Partners Limited (Business Partners)

Business Partners has a March year-end and therefore its results for the 12 months to 31 March 2023 have been equity accounted in Remgro's results for the year under review. Headline earnings attributable to Remgro for the year under review amounted to R72 million (2022: R70 million).

Business Partners' headline earnings for the 12 months ended 31 March 2023 amounted to R164 million (2022: R158 million), while profit attributable to shareholders decreased by 4.3% from R258 million to R247 million. Despite the challenges faced in the South African economic and operating environment, the performance of the company remains robust due to the high-interest rate environment, and remarkable resilience demonstrated by its clients, along with its cost management initiatives.

Lower deal activity levels affected the growth of the company's loan book, a key asset reflected on its balance sheet. Adverse macroeconomic conditions, combined with subdued SME appetite for business expansion, contributed to the decline in deal activity. However, its diligent adherence to business processes and rigorous risk management practices allowed the company to maintain credit risk at an optimal level in the economic environment.

Business Partner's property portfolio, its second-largest asset class, demonstrated improved performance through a steady recovery in property values and rental market activity. This positive trend is particularly evident in the small to medium industrial sector, which experienced a growing demand for smaller distribution centres driven by the increasing popularity of online shopping and hybrid working arrangements.

The fair value adjustment of the property portfolio increased to R61.5 million (2022: R34.1 million). Rental income and recoveries generated by a largely industrial property portfolio were also strong, but vacancies remained under pressure.

Business Partners remains optimistic about the prospects of its property portfolio and will continue to leverage its strong position in the industrial sector and capitalise on the evolving dynamics of the real estate market.

Business Partners secured a R600 million loan facility from the International Finance Corporation (IFC) for its green building initiative, in which it finances green buildings and its certification thereof. This initiative is gaining traction with support from the IFC and its partners on the programme.

INFRASTRUCTURE

Contribution to headline earnings	30 June 2023 R million	30 June 2022 R million
CIVH	**206**	47
SEACOM	**47**	37
Grindrod	**61**	263
Other	**3**	266
	317	613

Community Investment Ventures Holdings | DFA OPEN ACCESS NETWORK | VUMA

57.0% **Effective** Interest

Profile:

CIVH is active in the telecommunications and information technology sectors. The key operating companies of the group are Dark Fibre Africa Proprietary Limited (DFA) and Vumatel Proprietary Limited (Vumatel), which construct and own fibre-optic networks. Following implementation of an internal restructuring during the year under review, DFA and Vumatel are held under Maziv Proprietary Limited (Maziv), a newly formed wholly owned subsidiary of CIVH.

Corporate information

Equity valuation: R25 075 million

Chief Executive Officer of Maziv: D Mare

Remgro nominated directors:
C W Ceasar, P J Uys

Website: www.dfafrica.co.za, www.vumatel.co.za

FINANCIAL HIGHLIGHTS	Year ended 31 March 2023 R million	%
Revenue	**6 213**	**16.7**
Operating profit	**2 475**	**68.4**
Headline earnings – continuing operations	**365**	**111.0**
Headline earnings – total operations	**361**	**345.7**

Sustainability measures

CSI/Training spend: R36 million

Number of employees: 1 799

BBBEE status CIVH: Level 1

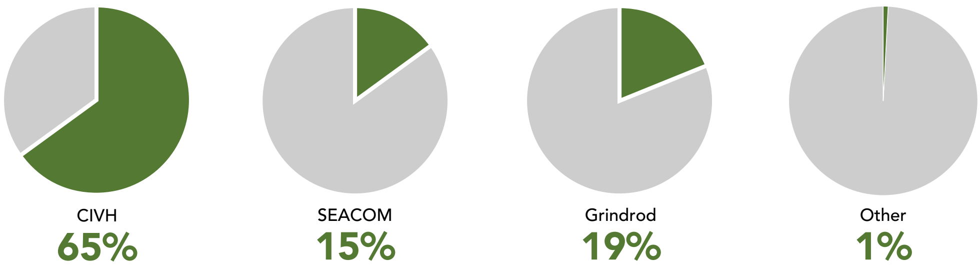
Community Investment Ventures Holdings Proprietary Limited (CIVH)

DFA is the premier open-access fibre infrastructure and connectivity provider in South Africa. It builds, installs, manages and maintains a fibre network to transmit metro and long-haul telecommunications traffic, which is leased to its customers (telecommunication companies and internet service providers (ISPs)) using an open-access wholesale commercial model. DFA has in excess of 13 740 km of fibre assets in the ground and owns fibre networks in Johannesburg, Cape Town, Durban, Midrand, Centurion and Pretoria, as well as in smaller metros, such as East London, Polokwane, Tlokwe, Emalahleni and George, to name a few.

Vumatel is an open-access fibre-to-the-home (FTTH) provider and leases its infrastructure to ISPs, who in turn provide broadband retail internet services to the end customers.

CIVH has a March financial year-end and therefore its results for the 12 months ended 31 March 2023 have been included in Remgro's results for the year under review. The contribution of CIVH's operations to Remgro's headline earnings for the year under review amounted to R206 million compared to R47 million in the prior year.

Contribution to platform



The group is operationally cash generative and continues to reinvest any excess operating cash flow and capital into expanding its operations and network footprint with a continued principle of limiting overbuild in key markets.

Vumatel is the FTTH leader in both the homes passed and connected homes market in South Africa achieving a market share status of approximately 36% in both verticals. Vumatel remains a growth asset for the group as it continues infrastructure expansion into identified lower Living Standards Measure (LSM) areas and accelerating connections in both its traditional core network and lower LSM areas.

Vumatel group revenue for the period increased by 15% to R3 432 million compared to the prior year of R2 981 million, driven through its fibre infrastructure expansion programme and subscriber uptake growth for the period.

DFA group revenue for the financial year ended 31 March 2023 increased by 6.8% to R2 653 million (2022: R2 485 million). The annuity revenue base at 31 March 2022 was R198 million per month and the company ended on a base of R213 million per month at 31 March 2023.

Vumatel continued to support its independent CSI Foundation, which has the objective of creating sustainable eco-systems in the communities in which the business operates. The goal is to contribute meaningfully and sustainably to these communities leading to strong ties that talk to the essence of the Vuma brand, a distinction that will set Vuma apart from the competition. Focus areas include education, safety, environment and healthcare. The business remains committed to the Vuma schools project, where 680 schools have been connected to date in areas where fibre has been deployed – providing every school that Vumatel passes with a free 1 Gbps service offering.

Critical gaps in infrastructure development, e.g. rural school connectivity remain DFA's ongoing key focus of CSI, enabling it to bridge the digital divide in high poverty areas. This positively impacts the provision of student access to e-learning and ultimately, new job creation and broader access to the economy.

INFRASTRUCTURE (continued)

SEACOM

30.0% **Effective** Interest

Profile:

SEACOM's heritage stems from creating a connected Africa. SEACOM was instrumental in bringing Africa into the digital world as the telecommunications provider to deliver the first independent fibre connection to the continent. With a future-focused mindset and continuous investments in digital platforms, systems, and people, the company has transformed into a converged telecommunications provider and continues to serve the wholesale and enterprise markets in Southern and East Africa through its provision of high-capacity local and international fibre-optic connectivity, internet, cloud services and managed services offerings.

Corporate information

Equity valuation at 30 June 2023: R2 650 million

Unlisted

Chief Executive Officer: A Mangale

Remgro nominated directors:
H J Carse, P J Uys

Website: www.seacom.com

FINANCIAL HIGHLIGHTS

SEACOM is a private company and its detailed financial information is not disclosed due to restrictions on disclosure as agreed among its shareholders.

Sustainability measures

CSI/Training spend: $0.4 million

Number of employees: 456

SEACOM Capital Limited (SEACOM)

Remgro has an effective economic interest of 30% in SEACOM, a converged telecommunications provider which operates subsea and terrestrial fibre-optic connectivity, internet services, voice, cloud, security and managed services offerings to the Wholesale and Enterprise markets in Southern and East Africa.

SEACOM has a December year-end. Its results for the 12 months to 30 June 2023 have been included in Remgro's results for the year under review. SEACOM's contribution to Remgro's headline earnings for the year under review amounted to R47 million (2022: R37 million).

The business has continued to service demand for connectivity and cloud services in the Enterprise sector subsequent to the Covid-19 pandemic, as well as ongoing growth in the Wholesale sector. The business has complemented its offering to include managed services solutions during the period.

SEACOM's ability to adapt to the rapidly evolving data market and invest in its submarine, terrestrial network and cloud infrastructure allows it to respond to an ever-increasing demand for faster and more reliable data services and is critical to maintain its ongoing competitive positioning. Key highlights during the period include the acquisition of the EOH Network Solutions business during the second half of 2022 and the acquisition of capacity on Google's Equiano cable in the first half of 2023.

Ubiquity Energy

75.0% **Effective** Interest

Ubiquity Energy Proprietary Limited (Ubiquity)

Profile:

Ubiquity is the holding company of Energy Exchange of Southern Africa Proprietary Limited (Energy Exchange) (100%) and Enerweb Proprietary Limited (Enerweb) (51%).

Energy Exchange acts as an aggregator of renewable energy supplied from independent power producers to the industrial and commercial customers. The company is a NERSA licensed electricity trader. By matching supply and demand it is able to create a market for the trading of renewable energy that benefits both buyers and sellers.

Enerweb is a unique utility-focused company, blending engineering, business, and information technology capabilities to provide electricity utilities, traders and power pools with solutions for a rapidly changing environment. The company is a leading supplier of Energy Trading, Utility Analytics, Metering Data Management, and Demand Response.

Website: www.energyexchangesa.com, www.enerweb.co.za

INDUSTRIAL

Contribution to headline earnings	**30 June 2023 R million**	30 June 2022 R million
Air Products	**476**	422
TotalEnergies	**54**	1 076
Wispeco	**313**	281
PGSI	**25**	21
	868	1 800

AIR PRODUCTS

50.0% Effective Interest

Profile:

Air Products produces oxygen, nitrogen, argon, hydrogen and carbon dioxide for sale in gaseous form by pipeline under long-term contracts to major industrial users. Air Products also distributes industrial gases, together with ancillary equipment, to the merchant market. The other 50% of the ordinary shares are held by Air Products and Chemicals Incorporated, a USA company.

Corporate information

Equity valuation at 30 June 2023: R9 822 million

Unlisted

Chief Executive Officer: R Richardson

Remgro nominated directors:
H J Carse, N J Williams

Website: www.airproductsafrica.co.za

FINANCIAL HIGHLIGHTS	Year ended 30 September 2022 R million	%
Revenue	**4 253**	**15.1**
Operating profit	**1 266**	**17.8**
Headline earnings	**925**	**20.9**

Sustainability measures

CSI/Training spend: R9.5 million

Number of employees: 730

BBBEE status: Level 4

Air Products South Africa Proprietary Limited (Air Products)

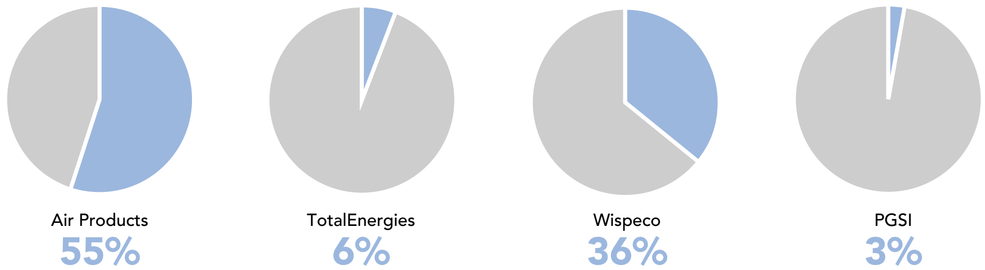
Air Products has a September year-end, but its results for the 12 months ended 31 March 2023 have been included in Remgro's results for the year under review. Air Products' contribution to Remgro's headline earnings for the period under review increased by 12.8% to R476 million (2022: R422 million).

Turnover for Air Products' 12 months ended 31 March 2023 increased by 14.4% to R4 563 million (2022: R3 990 million), while the company's operating profit for the same period increased by 9.3% to R1 295 million (2022: R1 185 million).

Air Products is the largest manufacturer of industrial gases in Southern Africa and also imports and distributes a variety of speciality gases that are supplied to a wide range of industries including steel, chemicals, oil refining, resource minerals, glass, pulp and paper, food packaging as well as general manufacturing, fabrication and welding.

Overall trading conditions in the period under review were mixed. Erratic and generally lower levels of demand from several large tonnage customers combined with high levels of plant maintenance activity weighed on results in this area of the business. Packaged gases volumes continued to improve and the acquisition of Weldamax, a welding consumables and equipment supplier further enhanced performance in this sector despite significant input cost pressures.

Contribution to platform



TotalEnergies

24.9% Effective Interest

Profile:

Subsidiary of TotalEnergies SE (France). TotalEnergies' business is the refining and marketing of petroleum and petroleum products in South Africa, as well as distribution to neighbouring countries. The company holds a 36.36% equity interest in National Petroleum Refiners of South Africa Proprietary Limited (Natref).

Corporate information

Equity valuation at 30 June 2023: R13 406 million
Unlisted
Chief Executive Officer: M Kane-Garcia
Remgro nominated directors:
M Morobe, N J Williams
Website: www.totalenergies.co.za

FINANCIAL HIGHLIGHTS	Year ended 31 December 2022 R million	%
Revenue	94 423	30.8
Operating profit	3 132	(0.1)
Headline earnings	2 537	11.1

Sustainability measures

CSI/Training spend: R62 million
Number of employees: 698
BBBEE status: Level 1
Environmental aspect:
Scope 1 emissions of 605 tonnes CO_2e

TotalEnergies Marketing South Africa Proprietary Limited (TotalEnergies)

TotalEnergies has a December year-end and its results for the 12 months to 30 June 2023 were included in Remgro's results for the year under review. TotalEnergies' contribution to Remgro's headline earnings for the year under review amounted to a profit of R54 million (2022: R1 076 million).

The results were negatively impacted by unfavourable stock revaluations of R1 408 million (2022: R3 581 million), mainly due to the normalisation from the sharp global oil price increases in the early part of 2022 due to the Russia-Ukraine War. As a result of the Russia-Ukraine War international oil prices increased to $122.71 per barrel as of 30 June 2022 but reduced to $81.3 per barrel in the second half of 2022.

TotalEnergies' turnover for the 12 months ended 30 June 2023 increased by 15% to R100 704 million (2022: R87 383 million). The increase in turnover is mainly due to an increase in price and sales volumes.

The company has continued with its investments regarding health, safety and environment to comply with increased stringent legislation and developing company requirements. The key focus areas are environmental compliance, as well as health and safety compliance by staff, transporters and construction contractors.

Natref's results deteriorated for the period under review, mainly due to negative stock revaluations.

INDUSTRIAL (continued)

WISPECO Aluminium

100.0% Effective Interest

Profile:

Wispeco's main business is the manufacturing and distribution of extruded aluminium profiles used mainly in the building, engineering and durable goods sectors.

Corporate information

Equity valuation at 30 June 2023: R1 330 million

Unlisted

Chief Executive Officer: H Rolfes

Remgro nominated directors:
N R Boonzaier, M Lubbe

Website: www.wispeco.co.za

FINANCIAL HIGHLIGHTS	Year ended 30 June 2023 R million	%
Revenue	**3 813**	**6.0**
Operating profit	**436**	**6.9**
Headline earnings	**313**	**11.4**

Sustainability measures

CSI/Training spend: R25.8 million

Number of employees: 1 393

BBBEE status: Level 4

Environmental aspect:
Scope 1 and 2 emissions of 51 671 tonnes CO_2e

Wispeco Holdings Proprietary Limited (Wispeco)

Wispeco's turnover for the year ended 30 June 2023 increased by 6.0% to R3 813 million (2022: R3 598 million). This is mainly a result of higher sales prices, with aluminium extrusion volumes being marginally lower than the previous year. Volumes were negatively impacted by lower business confidence as well as reduced activity levels in the commercial and residential building sectors. In its pressure die casting business, a stable gross margin together with higher export volumes of brass castings yielded a higher contribution to Wispeco's profits. Headline earnings for the year ended 30 June 2023 increased by 11.4% to R313 million (2022: R281 million).

Wispeco is firmly engaged on the path to become a world-class manufacturer of aluminium extrusions and has sufficient capacity to maintain the shortest possible make-to-order lead times. New export opportunities for pressure die casting products are being unlocked with further investment in pressure die casting and machining capacity.

The company's range of Crealco architectural products remains the benchmark for quality and carries the reputation of being the preferred choice in the building industry. The range is widely supported and distributed by a network of owned and independent distributors across Southern Africa. Wispeco's distribution footprint expanded with the opening of a new wholesale aluminium trading business.

Wispeco's class-leading design software options continue to be an important enabler for fabricators of aluminium windows and doors to record measurements, perform compliant design and enable speedy estimations.

Wispeco's externally focused training initiatives target upskilling disabled and previously disadvantaged youths with the aim of finding them employment in the aluminium industry. Internal training programmes focus on productivity improvement and development of skills to support future growth.

PGSI
PGSI Limited

37.7% Effective Interest

PGSI Limited (PGSI)

Profile:

PGSI holds an interest of 80% in PG Group Holdings. The PG Group is South Africa's leading integrated flat glass business that manufactures, distributes and installs high-performance automotive and building glass products.

Website: www.pggroup.co.za

DIVERSIFIED INVESTMENT VEHICLES

Contribution to headline earnings	30 June 2023 R million	30 June 2022 R million
KTH	**437**	80
Other	**397**	15
	834	95

kth
KAGISO TISO HOLDINGS

43.5% **Effective** Interest

Profile:

KTH is an established black economic controlled company with a focus on investment banking services, media and strategic investments. Its major investments include Kagiso Media Limited, Momentum Metropolitan Holdings Limited (Momentum Metropolitan) and Servest Group Proprietary Limited.

Corporate information

Equity valuation at 30 June 2023: R5 444 million
Unlisted
Chief Executive Officer: P J Makosholo
Remgro nominated directors:
S Crouse, P J Uys
Website: www.kth.co.za

FINANCIAL HIGHLIGHTS	Year ended 30 June 2023 R million	%
Revenue	**1 752**	**9.4**
Operating profit	**1 033**	**637.9**
Headline earnings	**1 005**	**455.2**

Sustainability measures

CSI/Training spend: R31.7 million
Number of employees: 1 270

Kagiso Tiso Holdings Proprietary Limited (KTH)

KTH is a leading black-owned investment holding company with a strong and diversified asset portfolio comprising a mix of listed and private investments in the media, financial services, industrial, services and healthcare sectors.

KTH's contribution to Remgro's headline earnings amounted to R437 million (2022: R80 million).

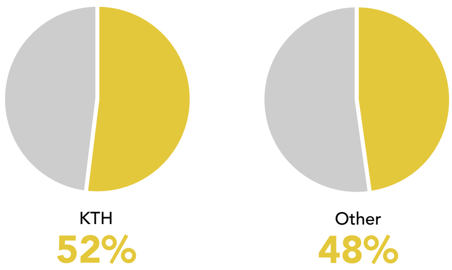
KTH's attributable earnings for the year amounted to a profit of R949 million (2022: R27 million) due to the following:

- Revenue was up 9% when compared to the prior year.
- Successfully concluded the disposal of Actom resulting in the derecognition of the investment and recognising of a profit from discontinued operations of c.R42 million.
- Income from equity accounted investments for the year was R256 million largely driven by results accounted from Momentum Metropolitan of R260 million including Kagiso Media associates of R29 million offset by Servest equity accounted losses.
- Positive fair value adjustments for the year were recognised on Momentum Metropolitan of R99 million and waiver of Actom debt of c.R520 million.
- Impairment on the investment in Servest of R82 million was recognised in the current period.

KTH's headline earnings for the year increased to R1 billion from R181 million in the comparative period due to:

- Kagiso Media revenue was 6% above the comparative period at R1.34 billion (2022: R1.26 billion) and revenue from Lupo Bakery Proprietary Limited (Lupo) increased by 23% above the comparative period at R406 million (2022: R330 million).

Contribution to platform



- The current economic trading environment had a significant impact on the operations of Lupo with rising costs of packaging, increased costs of diesel and paraffin, a spike in the price of wheat and an overall increase in material costs for all general lines diluting margins and this is reflected in the raw materials and consumables line. Urban Brew Studios Proprietary Limited revenue mix impacted its gross margin due to the increase in location shows versus studio shows which delivered a lower gross margin.
- KTH recognised a positive fair value movement on the preference share investment held in Momentum Metropolitan (R99 million) driven by the increase in the Momentum Metropolitan share price (2022: loss of R152 million). As part of the conclusion of the disposal transaction in Actom, Nedbank waived its right to receive payment of the remaining balance of the amounts outstanding under the term loan agreement. This resulted in KTH recognising a debt forgiveness gain of c.R520 million.
- KTH's income from equity accounted investments increased by 1% from R232 million to R234 million largely driven by positive equity accounting recognised on its investment in Momentum Metropolitan (R260 million), Kagiso Media Radio associates (R29 million) and Aurora Wind Power Proprietary Limited (R13 million). This was offset by an equity accounted loss recognised on Servest for the period of R69 million.
- Net finance costs for the year were R39 million (2022: R107 million). Interest earned on cash balances was positively impacted by improved returns. Finance costs were negatively impacted by an increase in the prime rate during the period. The settlement of the debt associated with the Actom investment will result in a reduction of group finance costs going forward.

KTH paid a dividend of R37 million to shareholders in November 2022 and R43 million in April 2023.

PRESCIENT

42.4% Effective Interest

Prescient China Equity Fund (Prescient)

Profile:

Prescient, which uses a systematic, quantitative approach to seek long-term capital growth, invests in listed stocks in the Chinese market and is benchmarked to the Shanghai Shenzhen CSI 300 index.

Website: www.prescient.co.za

MILESTONE CAPITAL 麦 顿 投 资

28.1% Effective Interest

Milestone China Opportunities Fund III (Milestone III)

Profile:

Milestone III, based in mainland Hong Kong, is a China-focused private equity investment firm.

Website: www.mcmchina.com

DIVERSIFIED INVESTMENT VEHICLES (continued)

invenfin

100.0% Effective Interest

Invenfin Proprietary Limited (Invenfin)

Profile:

Invenfin focuses on smaller early-stage investments.

Website: www.invenfin.com

PEMBANI • REMGRO INFRASTRUCTURE FUND

16.2% Effective Interest

Pembani Remgro Infrastructure Fund (PRIF)

Profile:

PRIF is a fund focusing on private sector investment in infrastructure across the African continent.

Website: www.pembani-remgro.com

ASIA PARTNERS

6.5% (Fund I) 10.0% (Fund II) Effective Interest

Asia Partners I LP and Asia Partners II LP (Asia Partners)

Profile:

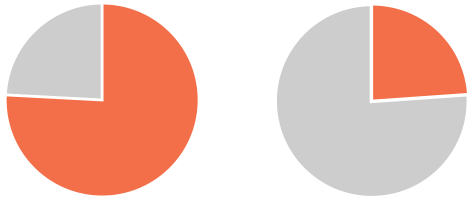
Asia Partners makes private equity and private equity-related investments in technology or technology-enabled companies focused primarily on the Southeast Asia region.

Website: www.asiapartners.com

MEDIA

Contribution to headline earnings	**30 June 2023 R million**	30 June 2022 R million
eMedia Investments	**130**	145
Other	**41**	33
	171	178

Contribution to platform



eMedia Investments
76%

Other
24%

32.3% **Effective** Interest

Profile:

eMedia Investments has a range of media interests, of which e.tv is the most significant. eMedia Investments is the only independent free-to-air television broadcaster in South Africa.

Corporate information

Equity valuation at 30 June 2023: R2 040 million

Unlisted

Chief Executive Officer: M K I Sherrif

Remgro nominated directors:
H J Carse, N J Williams

Website: www.etv.co.za

FINANCIAL HIGHLIGHTS	Year ended 31 March 2023 R million	%
Revenue	**3 125**	**(0.6)**
Operating profit	**565**	**(0.5)**
Headline earnings	**401**	**(11.1)**

Sustainability measures

CSI/Training spend: R83 million

Number of employees: 1 033

BBBEE status: Level 2

Environmental aspect:
Scope 1 and 2 emissions of 6 085 tonnes CO_2e

eMedia Investments Proprietary Limited (eMedia Investments)

Remgro has an effective interest of 32.3% in eMedia Investments that has a range of media interests, which include South Africa's only private free-to-air television channels (e.tv, eMovies, eMovies Extra, eExtra, eToonz, eReality, eXposed, ePlesier and eVOD), eNews Channel Africa (eNCA), free-to-air satellite platform Openview, Gauteng based radio station, Yfm, and various studio facilities and production businesses.

eMedia Investments has a March year-end and, therefore, its results for the year to 31 March 2023 were included in Remgro's results for the year under review. eMedia Investments' contribution to Remgro's headline earnings for the period under review amounted to R130 million (2022: R145 million).

eMedia Investments had a market share of 32.0% (March 2022: 31.3%). During prime time, eMedia Investments' share is 34.5% (March 2022: 34.1%), making eMedia Investments the largest broadcaster in both 06:00 to 24:00 and prime time. This is the second year in a row that eMedia Investments has beaten the SABC in prime time. Its financial year saw the removal of Imbewu and Durban General from the schedule and replaced with Smoke & Mirrors and Nikiwe. This, together with a remodelling of The Black Door, renaming it to Isitha – The Enemy, thereby anticipating an increase in market share.

After 18 months of delay and successful court action to ensure that more than 4 million South African households are not cut off from analogue broadcast of television prematurely, eMedia Investments' initial plan of the most feasible way to undertake analogue switch-off had been accepted and implemented by the new Minister of Communications. This means that the

MEDIA (continued)

eMedia Investments (continued)

release of telecommunication spectrum, has been realised on 31 July 2023 and that the rest of analogue services below 694Mhz will continue until December 2024. eMedia Investments is committed to working closely with the Department of Communications to achieve the analogue switch-off by the set date. The alternative to analogue television, which is free-to-air, is eMedia Investments' Openview and to that end, the business is ready and will ensure that its Openview set-top boxes are available in all areas served by transmitters that will be gradually switched off by December 2024.

eMedia Investments has consistently, four or five of its channels in the top ten of all satellite channels in the country. These channels have become a bone of contention between DStv and eMedia Investments. In May 2022, DStv removed four of eMedia Investments' very popular channels from their platform. Subsequently, the Competition Appeal Court granted eMedia Investments an interdict, ordering the channels to be reinstated on the DStv platform pending an investigation by the Competition Commission. The Competition Commission's finding was that eMedia Investments suffered no harm and DStv's behaviour is not anti-competitive, thus opening the way to remove those channels from DStv. eMedia Investments is challenging these findings.

The Openview platform has increased the number of activated set-top boxes to 3 166 461 on 31 March 2023 (31 March 2022: 2 774 454), with approximately 1 074 daily activations following the announcement of the SABC partnership and the launch of the SABC sports channel together with the SABC switching off its analogue signal.

eNCA is the most-watched news channel in the country among the LSM 8 to 10 viewers and the second most-watched news channel among all adults, even though it's not offered on all tiers of the DStv bouquet. A further five-year agreement with MultiChoice for the exclusive carriage of eNCA has been secured.

The eVOD platform is now more than 12 months old and has been well accepted in its target market. The number of registered viewers to date has been very encouraging, with the average daily minutes viewed in excess of 1 500 000. The eOriginals offering together with the Afrikaans Turkish telenovelas on eVOD is the leading audience generator, favouring a further R100 million per annum investment in local original content.

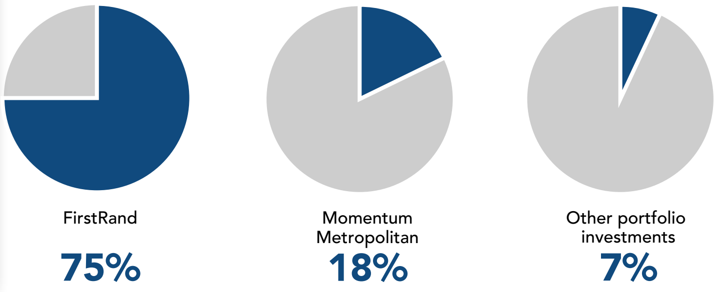
eMedia Investments focuses on technological advancements and premium local content. The initiatives are eVOD, Ultraview and Snapeee. eVOD, the OTT platform, filled mainly with e.tv's local content in a video-on-demand format is growing steadily. Ultraview is the pay-TV, which started in April 2023. Snapeee is to transcend linear television to a digital experience for the audience through the use of the TV screen and mobile phone realising the opportunity that television viewing has morphed into a double-screen experience.

The construction of the state-of-the-art VFX studio in Hyde Park is underway and will be ready by the end of March 2024. Other developments include an enhanced set-top box.

PORTFOLIO INVESTMENTS

Contribution to headline earnings	30 June 2023 R million	30 June 2022 R million
FirstRand	**605**	389
Momentum Metropolitan	**141**	–
Other portfolio investments	**58**	55
	804	444

Contribution to platform



FirstRand

2.2% **Effective** Interest

FirstRand Limited (FirstRand)

Profile:

FirstRand, through its portfolio of integrated financial services businesses comprising FNB, RMB, WesBank, DirectAxis, Aldermore, MotoNovo, Ashburton Investments and MotoVantage, operates in South Africa, certain markets in sub-Saharan Africa, the United Kingdom, and India.

Website: www.firstrand.co.za

Discovery

7.8% **Effective** Interest

Discovery Limited (Discovery)

Profile:

Discovery is a global, integrated financial services organisation that uses a pioneering Shared-value Insurance model across businesses to achieve the core purpose of making people healthier and enhancing and protecting their lives.

Its products range from health insurance, administration and managed care of medical schemes, life insurance, short-term personal and commercial insurance, long-term savings and investments, banking and behaviour-change programmes.

Website: www.discovery.co.za

PORTFOLIO INVESTMENTS (continued)

momentum
METROPOLITAN

9.1%

Effective Interest

Momentum Metropolitan Holdings Limited (Momentum Metropolitan)

Profile:

Momentum Metropolitan is one of South Africa's largest diversified financial services companies with listings on the JSE, A2X Financial Markets and Namibia Stock Exchange. Their business is about protection (life and non-life), investments and long-term savings and conducts the business through Momentum, Metropolitan, Guardrisk and Eris Properties brands.

Website: www.momentummetropolitan.co.za

BAT
A BETTER TOMORROW

0.1%

Effective Interest

British American Tobacco plc (BAT)

Profile:

Leading, multi-category consumer goods business, with the purpose to build a better tomorrow by reducing the health impact of the business through offering a greater choice of enjoyable and less risky products for the consumers. The company sells five main categories of products: Vapour, Heated Tobacco, Modern Oral, Traditional Oral and combustible cigarettes.

Website: www.bat.com

SOCIAL IMPACT INVESTMENTS

Contribution to headline earnings	30 June 2023 R million	30 June 2022 R million
Social impact investments	**(24)**	(20)

50.0% Effective Interest

The Blue Bulls Company Proprietary Limited (Blue Bulls)

Profile:

Blue Bulls manages the Blue Bulls professional Rugby Union, Loftus Versfeld and certain amateur and management actions and activities of the Blue Bulls Rugby Union.

Website: www.bullsrugby.co.za

Stellenbosch Academy of Sport

100.0% Effective Interest

Stellenbosch Academy of Sport Proprietary Limited (SAS)

Profile:

SAS provides local and international sport teams and athletes with a world-class training and preparation environment.

Website: www.sastraining.co.za

Stellenbosch Football Club

100.0% Effective Interest

Stellenbosch Football Club Proprietary Limited (SFC)

Profile:

SFC participates in the South African Premier Soccer League. The investment in the club enhances Remgro and Stellenbosch Academy of Sport's local community engagement.

Website: www.stellenboschfc.com

TREASURY AND MANAGEMENT SERVICES

Contribution to headline earnings	**30 June 2023 R million**	30 June 2022 R million
Central treasury		
– Finance income	**650**	224
– Finance costs	**(628)**	(627)
Net corporate income/(costs)	**205**	(252)
	227	(655)

Remgro Finance Corporation Proprietary Limited
Remgro Healthcare Holdings Proprietary Limited
Remgro USA Limited – Jersey
Remgro Management Services Limited
V&R Management Services AG – Switzerland

Profile:

Responsible for Remgro's central treasury function as well as management and support services.

Unlisted companies

Finance income amounted to R650 million (2022: R224 million). This increase is mainly due to the increase in the South African repo rate and a higher average cash balance, due to the disposal of 60 million FirstRand shares and Remgro's investment in Grindrod Shipping. Finance costs amounted to R628 million (2022: R627 million). Other net corporate income of R205 million (2022: net corporate costs of R252 million) includes an after-tax foreign exchange gain of R522 million realised on foreign exchange contracts entered in respect of the acquisition of the additional 5.4% indirect interest in Mediclinic.

ESG and sustainability

Remgro's Environmental, Social and Governance (ESG) ambitions and journey reflect South Africa's **unique sustainability** challenges and are designed to help address the **opportunities** and risks they present.

ABRIDGED ESG and Sustainability Report

ESG and sustainability highlights

Full-time **ESG and sustainability expert appointed** to **lead and guide ESG and sustainability strategy** across Remgro

Increased scope of **carbon reporting** to include six investee companies in Remgro's **environmental reporting boundary**

Inaugural climate change disclosures published aligned to **TCFD framework** recommendations

Level 7 contributor status in terms of **BBBEE**

Developed **strategic ESG framework** to establish **environmental focus areas**

Group-wide collaboration on **social impact** and **CSI initiatives**

Implemented **ESG Investment Framework** and policy, including Standard Operating Procedure (SOP)

Remgro continues its inclusion in the **FTSE4Good Index Series**

ESG training rolled out to all **investment managers** via Remgro Group's **Investment Managers Conference**

Ongoing membership of the **Ethics Institute of South Africa**

ESG baseline report completed across Remgro's investee companies

View the full ESG and Sustainability Report online at www.remgro.com.

Remgro's role is to **create sustainable** stakeholder value over the long term to deliver strong and sustainable financial returns for shareholders, including wider **prosperity, social progress** and a more **resilient** planet.

Overview: our ESG and sustainability journey

As a values-led business from the outset, Remgro has long acknowledged its Environmental, Social and Governance (ESG) responsibility and is determined to play its role in delivering on them as the challenges associated become greater and more urgent. We are working across the Group to influence ESG activity and oversight throughout our value chain and use our investments to respond to the opportunities and challenges that can drive sustainable practices to improve the future of South Africa.

In 2021, Remgro committed to make ESG and the transition to corporate sustainability integral to its core strategy and the future success of the business. As a Company, we see our role as creating sustainable stakeholder value which delivers financial returns for shareholders, with wider prosperity, social progress and cognisant of our planet's environmental health.

The impacts of climate change necessitate alignment between business, society and the environment. This is why our own aims and actions include an ambition towards a net zero future in line with the goals of the Paris Agreement, along with the related role we play in supporting South Africa's national efforts to achieve the UN 2030 Sustainable Development Goals.

Remgro's own ESG ambitions and journey reflect South Africa's unique sustainability challenges and are designed to help address the opportunities and risks they present. Our support of South Africa's sustainability transition depends on our ability to achieve better social and environmental impacts, as a Company, across our value chain and through partnerships. This is aligned to our purpose to invest in companies which will accelerate the transition to a more sustainable future, one which enhances South Africa's prosperity by delivering shared value over the long term for our shareholders and other stakeholders alike.

We have identified three priorities for our ESG strategy which underpin and guide our ongoing sustainability journey across Remgro: sustainable investment stewardship; ESG action across Remgro; and unlocking shared value for South Africa.

Remgro's approach to ESG and sustainability is anchored in what we see as our critical stewardship role in managing our assets and the pursuit of new investments. Our responsible investment principles are at the cornerstone of our decision-making. This enables us to adhere to robust criteria for our investments that address some of South Africa's most material issues to deliver sustainable financial returns, whilst fostering a positive, measurable ESG impact that delivers shared value for all our stakeholders.

We strive to ensure that impact is purposefully integrated throughout the investment lifecycle and where sustainable value can be generated over the long term through a continuous focus and ongoing effort to improve ESG performance. This while ensuring financial sustainability as well as to seize the opportunities from the transition involved. Remgro is committed to helping our investee companies shape their approach to ESG to ensure our investments respond to the opportunities and challenges that will drive sustainability and deliver better environmental, social and economic outcomes throughout our ecosystem.

ESG action across Remgro

We believe the greatest progress in advancing Remgro's sustainability agenda can be realised by influencing and supporting all our investee businesses across their value chains. We see implementation of ESG across Remgro and its value chain as critical.

Remgro is working across the Group to implement sustainable behaviour through ESG principles and the creation of consistent standards to achieve our common sustainability goals that collectively deliver greater and more measurable impact. Governance and climate risk mitigation practices are part of Remgro's value chain activities as well as its investee companies' ecosystems to drive progress towards net zero goals.

Although there is still much to do, we can already see progress with respect to climate action. Many of the companies in which Remgro invests have already set ESG targets regarding climate change and energy management. Nearly half of the 11 investee companies assessed have set net zero targets and seven have energy efficiency targets. Remgro plans to work with the remaining companies to support their ongoing implementing actions as well as the development of future targets in this respect.

Unlocking shared value for South Africa

Remgro has a crucial role to play in unlocking shared value that enables a more prosperous and equitable future for all South Africans. By creating inclusive socio-economic development and growth, we can help create meaningful impact across our stakeholders and positively contribute towards making a difference to society.

At Remgro, we recognise and affirm the importance of transformation and empowerment in the creation of access to equal opportunities for all South Africans. Hence, we are continuously striving towards improving our broad-based black economic empowerment (BBBEE) rating. We remain committed to creating a more equitable working environment built on diversity and inclusion, and seek to empower our employees through skills and talent development.

Our long track record helping communities is focused on unlocking shared value to create socio-economic development in a way that improves the lives of many aligned to the UN Sustainable Development Goals. This includes working in the communities where we serve with NGOs, as well as Corporate Social Investment (CSI) projects involved with enterprise and community development and the creation of opportunities for young people in education and training to eradicate poverty and enable sustainable livelihoods.

During 2023, Remgro facilitated a workshop for some of its investee companies to engage on their social impact initiatives and CSI plans, with the aim of exploring shared opportunities for collaboration. This dialogue is ongoing and Remgro plans further workshops to address other ESG topics to leverage experience, knowledge and best practice across the Group.

Governance and oversight

Remgro's Strategic ESG Committee, a Board sub-committee established in 2021, continues to provide oversight and guidance to the Board regarding all matters related/relating to ESG, supported by the Operational ESG Committee. The Strategic ESG Committee plays an important role in supporting the Board in overseeing and monitoring Remgro's ESG performance and stewardship through policies, frameworks, standards and guidelines.

As part of its established Board-level governance mechanisms, procedures and policies, Remgro has implemented several initiatives to integrate ESG across the Group and its investee companies in support of Remgro's sustainability ambitions. Progress in this regard continues to inform performance and incentive mechanisms for management.

The ESG Risk Management Framework ensures ESG risk and opportunities, along with impact and considerations are integrated into the risk and opportunities management practices in setting sustainable, value-generating strategies.

As part of Remgro's focus on sustainable investment stewardship aligned to its sustainability ambitions, an integral part of its investment decision-making is informed by the ESG Investment Framework which includes criteria regarding ESG risk, impact considerations, value creation opportunities and sustainability of its current and potential investments.

Implementation of the ESG Investment Framework is supported by Standard Operating Procedures (SOP) to enable the various governance structures and investment teams to apply the ESG framework consistently and effectively across all investee companies.

Remgro also expanded its baseline ESG footprint report to include more investee companies than the previous year to better monitor adoption and progress of sustainable practices across the Group.

Our progress over the last year

In 2021, Remgro introduced ESG frameworks and governance structures to provide strategic direction and stewardship at a Group and company level to influence ESG performance, monitored at Board level and by our Strategic ESG and Operational ESG Committees. Over the course of this year, Remgro has been facilitating collaboration between our investee companies in various areas, including human resources, CSI and ESG.

One of the elements in creating a Group-wide ESG framework has been the assessment of the level of ESG maturity throughout Remgro's investee companies, which will be used to assist Remgro with future ESG reporting as well as ESG target setting.

In 2022, Remgro commissioned a baseline ESG footprint report. This entailed obtaining certain qualitative and quantitative information from selected investee companies. During this process, Remgro assessed the latest leading best practice related to stewardship and has incorporated some of those principles into the baseline questionnaires and to inform target setting discussions.

In 2023, the exercise was repeated through an updated ESG questionnaire where the information was fed into an ESG footprint report, used to gauge progress year on year. The focus areas include climate change and energy, water management, waste management, diversity and inclusion, social impact, employee relations, health and safety, supply chain and procurement, as well as governance. Feedback demonstrated good progress regarding the amount of ESG information that the investee companies are measuring and tracking. In addition, Remgro and its investee companies have implemented numerous ESG processes since the baseline ESG footprint report was issued in June 2022 and improvements were noted in many areas.

For example, several companies reported reduced Scope 1 and 2 emissions and improved BBBEE ratings. Some also enhanced their ESG governance structures over the last year, including reviewing and renewing the sustainability strategy, approving a climate change strategy and roadmap, launching a new Responsible Sourcing Policy or starting to roll out a climate responsibility questionnaire to all suppliers in order to develop a strategy for emission reduction across the supply chain. Additional initiatives included implementing Environmental Management System training (ISO14001) and finalising the employee relations policies and strategy.

As part of our role as a sustainable investment steward, Remgro also initiated an Investments Portfolio Managers' Conference and implemented a series of Investments Portfolio Managers' Workshops to engage on ESG. A key component of this was the introduction of a SOP for our investment managers to integrate ESG into their investment decisions.

In 2023, Remgro also appointed a dedicated senior ESG and sustainability manager to guide and lead the development and implementation of its ESG and sustainability strategy.

Remgro's ESG and sustainability journey is ongoing, but we are committed to providing transparent and accurate disclosures on our metrics and the progress we make against best practice standards – and underline where we have more work to do, both with regards to our goals and targets, but also in delivery of those already set. Our goals for performance will drive ongoing investment and innovation that reflect our sustainability ambitions across Remgro.

Tracking progress

In line with expectations of how ESG performance should be reported upon in practice, Remgro aims to provide transparent and accurate disclosures on its metrics and improvements made against best practice. In the 2022 Integrated Annual Report, we committed to the creation of a schedule to measure Remgro's ESG progress, reporting against defined targets and metrics. In fulfilment of our commitment, this year Remgro has prepared disclosures aligned to Task Force on Climate-Related Financial Disclosures (TCFD) framework recommendations.

As a market-driven initiative to develop recommendations for voluntary and consistent climate-related financial risk disclosures, this is helping us to address climate change effectively across the Remgro Group and the companies in which it invests to minimise investment risk and maximise opportunities from the transition.

Remgro is also establishing priorities and metrics for performance assessment as part of its ESG strategy with reference to the Principles for Responsible Investment (PRI), the International Finance Corporation (IFC) Environmental and Social Performance Standards, the emerging International Sustainability Standards Board (ISSB) work, BBBEE and other appropriate South African frameworks relevant to environmental, social and community developments.

In addition, the updated ESG footprint report conducted during the first half of the 2023 calendar year will be used by Remgro to set further ESG targets and aid the expansion of ESG reporting across the Group over the course of the coming year.

Corporate Social Responsibility

Since our inception, Remgro has been a values-led business which inspires the way we act as a good corporate citizen in the communities where we operate. Remgro continues to work with communities across South Africa to support their development and ensure that its own direct operations and activities are aligned to its ESG and sustainability goals. We measure impact using the United Nations Sustainable Development Goals.

For more information on the Corporate Social Responsibility of the Company, visit the Remgro website www.remgro.com for the full ESG and Sustainability Report.

TASK FORCE ON Climate-Related Financial Disclosures (TCFD) Report

Governance

In 2021, Remgro created a Board Committee charged with the strategic oversight of ESG and sustainability matters, including climate change. This Strategic ESG Committee is supported by an Executive Operational ESG Committee, with representatives from multiple functions within the organisation, which is driving the pursuit of Remgro's ambition to position itself within the South African context as leaders in ESG and sustainability. The Operational ESG Committee has been supported by a team of external expert advisers to navigate this journey.

The terms of reference for the Operational ESG Committee include the integration of ESG and climate-related issues into the strategy, monitoring progress and assessing performance. It recommends ESG-linked targets to the Remuneration and Nomination Committee and other performance objectives and ambitions for its own operations.

In addition to the Strategic and Operational ESG Committees, Remgro Group has a Social and Ethics Committee, an Investment Committee and an Audit and Risk Committee who oversee various aspects of the ESG agenda, and with which the Strategic and Operational Committees work closely to ensure strategy, action and any disclosures are properly aligned.

During the financial year June 2023, significant progress was made in giving effect to Remgro's ambitions, including the adoption of an ESG Investment Policy and an ESG Investment Framework. This incorporates ESG due diligence into the investment process and decision-making and builds on Remgro's long-standing ethical framework. The policy and framework will be used in considering all new investments and is also used for the review of existing holdings.

Managements' capacity to address ESG challenges has been increased through the appointment of a full-time ESG and sustainability manager.

As an investment holding company, Remgro's approach has been to increase awareness of ESG and associated climate-related risks and opportunities amongst Remgro's Investments Portfolio Managers and its representatives on the boards of the companies in which Remgro invests (also called the investee companies). This has been undertaken through workshops and directed enquiries to subsidiary companies and those in which Remgro is a significant shareholder, as well as the work it undertakes within its own operations. In order to deliver on Remgro's ambition and related strategies it is critical to use ongoing engagement on climate change, to facilitate understanding and share best practice amongst this group.

Strategy

Climate change scenarios will be developed to use in evaluating the impact and strategic resilience within Remgro's operations and investment portfolio. These will be built on international practice taking into consideration Remgro's specific portfolio, the industries, their locations and unique vulnerabilities.

Work to date has been focused on working with companies in which Remgro is materially invested to assess their existing climate-related awareness, risk mitigation, measurement and targets where they exist. This will be an ongoing area of work to determine where group-wide targets are feasible, given the spread of sectors in which investments have been made and how to collaborate to develop a more consistently robust approach.

An ESG Collaboration Forum has been created to increase shared learning, focusing on good practice, mutual capacity building for management and ideas exchange of the ESG and climate change agendas and opportunities with the intention of creating and protecting value. The forum will engage both ESG and sustainability professionals and decision-makers within the investment portfolio, as well as Remgro's own operational structure.

Remgro has taken strategic steps to increase access to renewable energy through the creation of an energy trading company, Energy Exchange of Southern Africa, which received its trading licence in 2022 and by establishing Kigeni Ventures, a Section 12J Venture Capital Company in 2017. The 2014 greening of its head office campus was an early signal of its intent to put good ESG practice at the core of its operations. Please refer to "Energy efficiency initiatives" and "Energy services and markets" sections of this report on pages 74 and 75.

Risk management

Work has been undertaken during the past financial year to further develop and expand the Remgro risk register to specifically address key ESG risks – those that are currently known and those that will emerge from the scenario exercise which will be undertaken during the financial year ending June 2024. The current risk methodology uses and expands on the widely used PESTLE framework. While this framework will focus primarily on risks which impact Remgro, it will be informed by the material risks identified by investee companies, particularly those risks which appear to be common across the portfolio.

To build the specific inclusion of climate-related risks into its decision-making, Remgro has committed to using a framework that specifically triggers assessment of physical, transitional and liability risk. This will incorporate social impacts of climate change into the assessment and assist in the future calculation of impacts on the strategy and financials alongside an enhanced focus on strategic business opportunities.

Targets and metrics

It is Remgro's ambition to play a leading role in ESG and sustainability in South Africa and to drive continued focus on specific ESG outcomes in its own operations and its investment portfolio. As an investment holding company, Remgro's target setting and metrics will take into consideration its own operations, its wholly owned but independently managed subsidiaries and its portfolio of investee companies where it has a strategic shareholding.

Exercising responsible investment stewardship where there is influence, but no control, requires a deliberate and collaborative approach. Remgro has launched several initiatives to further these aims, through capacity building and knowledge sharing, as well as improved disclosures.

Risks and potential impacts

Risks

Physical

- Extreme weather events – flood, fire, drought, etc.
- Changing climatic conditions – desertification, sea level rise, changing rainfall, heat waves
- Diminishing access to natural resources

Transitional

- Changing regulations/consumer preferences – locally and in export markets
- Disruptive technologies
- Stranding of assets – accelerated obsolescence

Liability

- Cost and availability of insurance
- Loss of access to funding due to poor or inaccurate disclosure
- Litigation and liability claims against governments and companies for loss and damage

Potential impacts

Impact on finance sector

- Lower productivity, less ability to use land as security, changes in credit worthiness, inability to repay loans following disasters, business disruption after disasters, loss of markets, supply chain interruptions and loss of productivity
- Less confidence in securitised loans, devaluation of property, concentration risk, portfolio losses, defaults, job losses
- Stranded assets – accelerated write-off, cost of replacement
- Damages claims and litigation costs

Social, development and health impacts

Health

- Impact on human health particularly outdoor workers, elderly and young in heat waves and prolonged higher temperatures.
- Changing disease patterns.

Social

- Migration within and across countries driven by declining access to natural resources, e.g. water, food and fibre
- Water availability impacted and sea-level rise threat to coastal populations and infrastructure

Development costs

- Post-catastrophic events, loss of livelihoods, welfare and infrastructure
- Community claims resulting from loss of amenities and damages

To ensure focused and impactful progress over the next reporting period(s), the primary immediate focus will be on:

1. Acknowledging long-term decarbonisation ambitions and setting goals. Remgro supports the Paris Agreement and the need to become carbon neutral and will strive to develop scientifically informed action plans and carbon reduction milestones over the next reporting period.
2. An increased focus on governance through (a) full disclosure of its climate change related actions using best practice frameworks (b) embedding the ESG Investment Framework that it developed in the past calendar year throughout the Company and across its investment portfolio (c) strengthening the Remgro and investee companies' Board capacity on ESG matters and (d) participation in strategic ESG indices in order to benchmark performance and improve disclosure.
3. Intensifying the focus on social aspects with specific emphasis on (a) CSI initiatives impacting the communities where Remgro operates (b) developing a Responsible Sourcing Policy for Remgro and identified investee companies (c) combining efforts towards an improved BBBEE level and (d) specific objectives to foster a more diverse and inclusive culture within Remgro.
4. Continued focus on improving the measurement and reporting of the nine key ESG focus areas across the identified investee companies. These include climate change and energy management, water management, waste management, diversity and inclusion, social impact, employee relations, health and safety, supply chain and procurement and governance. The assessment focused on policies in place, targets, targets linked to incentives and also measurement and monitoring of relevant KPIs. Over the last two reporting periods we have seen progress and this momentum will be maintained over the next reporting period. Progress was demonstrated in the past year in Remgro's carbon reporting where the integrity and scope of data reported was increased. The assessment also highlighted gaps in ESG management, which can now be addressed with suitable action plans.

Since 2020, Remgro has included ESG performance conditions in the Long-Term Incentive (LTI) awards to motivate and incentivise executives and management in driving this key strategic initiative. By incorporating specific ESG measures into the LTI, Remgro is demonstrating its public commitment to ESG and sustainability. In 2023, these ESG performance conditions will be revised in the form of a strategic balanced scorecard under the oversight of the Remuneration and Nomination Committee. This will identify and measure specific ESG outcomes to enable the Group to achieve its overall ESG and sustainability ambitions. These ESG measures will be further supported by Remgro-specific strategic performance measures.

Disclosure

As a Group, Remgro has reported its greenhouse gas (GHG) emissions to the CDP since 2010, receiving recognition for its disclosure and inclusion in the Climate Disclosure Leadership Index. Remgro's disclosure has historically only included its head office performance and three of its investee companies (RCL Foods, Siqalo Foods and Wispeco).

The three companies' GHG emissions were reported by Remgro in alignment with its equity shareholding in each. Although these three subsidiaries are either wholly or majority owned, the boards are autonomous and Remgro does not exercise operational control. These emissions are therefore now reported under Remgro's Scope 3 investments category in accordance with the Partnership for Carbon Accounting Financials (PCAF) methodology.

PCAF's mission is to enable financial institutions to assess and disclose GHG emissions associated with financial activities as the starting point for them to manage risk and identify opportunities associated with GHGs to begin the journey towards decarbonisation.

During the financial year ending 2022, Remgro reassessed its approach to carbon reporting. Remgro's aim is to extend its own environmental reporting beyond those companies in which it maintains majority shareholding to ultimately include as much of its portfolio of investments as possible.

As an initial step, Remgro included its head office, Mediclinic, RCL Foods, Siqalo Foods, Wispeco, Air Products and OUTsurance Group. For the purposes of these reports the emissions are disclosed for the year to end of June 2023. Reporting to CDP lags the normal disclosure and was previously in accordance with the GHG Protocol's Equity Share approach. Since 2021, Remgro has been reporting in accordance with the Financial Services questionnaire, which was introduced in that year.

Remgro's 2022 carbon footprint was included in the latest CDP submission (submitted earlier in 2023), which included Remgro head office, Distell, Mediclinic, RCL Foods, Siqalo Foods and Wispeco in its environmental reporting boundary. For the second time, this was calculated according to the PCAF method.

Distell, which was previously included, will be excluded due to Remgro exchanging its interest in Distell for an interest in Heineken Beverages. Remgro's portion of the carbon footprint of Heineken Beverages will be included in due course.

For the purposes of this report on Remgro's 2023 carbon footprint, Distell is excluded from the emissions disclosures. OUTsurance Group and Air Products have been included for the first time, alongside Remgro head office, Mediclinic, RCL Foods, Siqalo Foods and Wispeco. To allow for comparability, the 2022 numbers have been restated to reflect these changes. This group represents approximately 59% of Remgro's intrinsic net asset value (INAV) as of 30 June 2023. For Remgro's next CDP submission (during 2024), Remgro will submit its 2023 carbon footprint, which will include Air Products and OUTsurance, but exclude Distell.

The change in boundaries for this report and the intended future incorporation of additional investee company data pose some challenges for long-term comparability. Maturity in carbon accounting within the investee companies is varied but improving. Siqalo Foods, Air Products and OUTsurance Group report notable reductions in Scope 1 and Scope 2 data for 2023. However, not all of these numbers have been externally verified. If the numbers change following verification, they will be restated.

As Remgro has identified decarbonisation as a long-term strategic goal and committed to enhancing its scorecard in this regard, it is anticipated that there will be ongoing improvements in the number, quality and verification of disclosures in future reports.

Energy efficiency initiatives

Group Power Initiative

During the 2022 and 2023 financial years, the Group Power Initiative facilitated the installation of seven solar photovoltaic (PV) systems at Wispeco, Distell (now Heineken Beverages) and MMI (Eris Properties). These systems resulted in an aggregated renewable power capacity of 3.3MW, with an associated cumulative CO_2 equivalent emissions reduction of 4.4 kilotons.

As part of this initiative, Kigeni Ventures, a Section 12J Venture Capital Company was created to house the investments and assist with the feasibility studies for the solar PV systems. Since 2017,

Remgro Group GHG emissions data

	Scope 1		Scope 2 (market based)		Scope 3		Outside of scopes		Scope 1 and 2	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
Remgro head office[(1)]	**1 838**	1 508	**1 904**	2 178	**1 728**	793	**–**	–	**3 741**	3 686
RCL Foods[(1)]	**518 158**	517 902	**504 779**	525 766	**349 254**	358 487	**86 530**	69 105	**1 022 937**	1 043 668
Siqalo Foods[(1)]	**12 084**	22 432	**18 809**	18 847	**2 249**	2 236	**13 502**	8 731	**30 893**	41 280
Wispeco[(1)]	**12 985**	12 473	**38 686**	29 328	**17 509**	12 711	**nr**	nr	**51 671**	41 801
Mediclinic[(2)]	**44 562**	34 656	**160 719**	177 313	**72 865**	65 068	**2 711**	3 122	**205 280**	211 969
OUTsurance Group[(3)]	**987**	1 388	**7 493**	7 770	**6 135**	5 255	**36**	11	**8 480**	9 158
Air Products[(4)]	**43 597**	50 919	**1 245 037**	1 303 071	**nr**	nr	**nr**	nr	**1 288 634**	1 353 990

nr Not reported.
(1) *Carbon footprint data verified FY2022 only. At the time of reporting RCL Foods, Siqalo Foods, Remgro head office and Wispeco had not yet been verified for FY2023, but have undergone some external reassessment.*
(2) *Carbon footprint data verified FY2022 and FY2023. Mediclinic has a March year-end. The data relates to Mediclinic's 12 months to December 2021 and December 2022.*
(3) *OUTsurance Group has not been externally verified.*
(4) *Carbon footprint data verified FY2022 and FY2023. Air Products has a September year-end. The data relates to Air Products' 12 months to September 2021 and September 2022.*

Remgro portion of investee companies' Scope 1 and 2 GHG emissions[(1)]

	Remgro Scope 1 and 2 GHG PCAF portion		EVIC[(2)] share (as per PCAF)		
	2023	2022	**2023**	2022	**Year-end**
Remgro head office	**3 741**	3 686	**100%**	100%	**Jun-23**
RCL Foods	**621 273**	653 161	**61%**	63%	**Jun-23**
Siqalo Foods	**30 893**	41 280	**100%**	100%	**Jun-23**
Wispeco	**51 096**	41 417	**99%**	99%	**Jun-23**
Mediclinic	**69 819**	60 049	**34%**	28%	**Dec-22**
OUTsurance Group	**2 527**	2 805	**30%**	31%	**Jun-23**
Air Products	**643 071**	675 995	**50%**	50%	**Sep-22**

(1) *Mediclinic and Air Products carbon footprint data has been verified for FY2022 and FY2023. At the time of reporting RCL Foods, Siqalo Foods, Remgro head office and Wispeco had not yet been verified for FY2023, but have undergone some external reassessment. OUTsurance Group has not been externally verified.*
(2) *EVIC = Enterprise value including cash.*

Remgro has facilitated the installation of 34 solar PV systems at Wispeco, Distell (now Heineken Beverages), Mediclinic, RCL Foods, Old Mutual, Remgro head office and MMI (Eris Properties) through this initiative. These systems resulted in an aggregated renewable power capacity of 21.2MW with an associated cumulative CO_2 equivalent emissions reduction of 71.9 kilotons.

Green Star building benefits

Remgro's reconstructed head office complex, Millennia Park, achieved a 5-Star As-Built Green Office rating in 2014. Key factors included reusing 96% of the existing major structure, thereby significantly reducing construction waste and contributing to the sustainability of the building.

Overall ecological value of the site was increased by more than an estimated 400%. Water efficient fixtures, storm water filtering and rehabilitation of rivers beyond the site were all features of this project. The building achieves energy savings in excess of 30% over a notional building of similar size through passive design, efficient lighting and air conditioning.

A rooftop solar photovoltaic (PV) system was installed in 2020. The building management system tracks performance with cumulative performance to end of June 2023 measured as:

Cumulative performance of solar PV

- R679 477 financial return
- 406 tonnes of CO_2e reduction
- 428MW energy production
- 82% energy yield performance
- 76% financial performance

Energy services and markets

Energy Exchange of Southern Africa

Remgro is a strategic shareholder in the Energy Exchange of Southern Africa (Energy Exchange), a National Energy Regulator of South Africa (NERSA) licensed green energy trader. It aggregates and facilitates the transfer of energy between independent generators of green electricity and consumer companies. It is a private utility which at its core aims to assist clients in securing green energy from diversified power sources, thereby reducing single technology risk and assisting in their decarbonisation journeys.

Energy Exchange's business model allows customers to reduce their vulnerability to Eskom's supply constraints and rotational blackouts to create a measure of price certainty. The model is based on wheeling electricity from the generation site to remote customers via the transmission grid. Power is charged on a kilowatt hour basis (c/kWh). Power Purchase Agreements (PPAs) are concluded with both generators and customers, with Energy Exchange handling the back-office reconciliation functions using metered data that enables efficient tracking and managing of energy costs.

The benefits of this model for the energy purchaser include continuity of supply, the ability to manage load outages without undertaking capital expenditure or running their own plants, shorter PPA terms than traditional bilateral agreements and savings in energy costs, as well as carbon tax payments where applicable. Energy Exchange undertakes the administration of the transactions and clients receive Renewable Energy Certificates.

CORPORATE GOVERNANCE Report

Introduction

Remgro Limited (Remgro) is committed to the highest level of corporate governance, integrity and ethics. The Board of Directors of Remgro (the Board) is ultimately responsible for ensuring that corporate governance standards are set and met with the assistance of senior management, who aims to instil a culture of compliance and good governance including high performance in Remgro and its subsidiaries (Remgro Group).

The King IV Report on Corporate Governance for South Africa (King IV), which was published on 1 November 2016, contains a set of principles that are fundamental to good governance, as well as related leading recommended practices. The JSE Limited has incorporated certain of King IV's recommended practices in the JSE Listings Requirements.

The Board is satisfied that Remgro has applied the principles contained in King IV during the year under review. This Corporate Governance Report explains in the form of a narrative account how Remgro has applied the principles enumerated in King IV with reference to the practices applied by Remgro. This report aims to provide Remgro's stakeholders with a good understanding of Remgro's governance structures and processes to enable them to evaluate the ability of Remgro to create and sustain value.

The Board confirms its compliance with the Companies Act (No. 71 of 2008), as amended (Companies Act) and the Company's Memorandum of Incorporation for the reporting period.

Leadership

The Board endeavours to lead ethically and effectively in prioritising the following outcomes advocated by King IV: an ethical culture, good performance, effective control and legitimacy. This is underscored by sound and visible leadership, which is characterised by the ethical values of honesty, integrity, competence, responsibility, accountability, correctness, fairness, diversity and transparency. Sound corporate governance structures and processes are being applied and are considered by the Board to be pivotal to delivering sustainable value in the interest of all stakeholders, along with innovation and sound business acumen.

The Board is responsible for setting the direction on ethical standards, strategy and operations of the Remgro Group by applying integrated stakeholder thought processes harnessed by appropriate diversity, to build a sustainable business, while considering the impact of the Remgro Group's strategy on the economy, society and environment (collectively, the "triple context"). Since formalising an Environmental, Social and Governance (ESG) framework in 2021, and the transition to corporate sustainability integral to its core strategy, Remgro has embarked on a journey to create sustainable stakeholder value which delivers financial returns for shareholders whilst fostering shared value for all its stakeholders. The Board is overseeing this key strategic development to ensure that sustainability principles and consistent standards are implemented via its sustainable investment stewardship by partnering with its investment companies and their value chains to achieve its common sustainability goals.

As a responsible investor, the Board advocates adherence to sound ethics and governance by all entities Remgro is invested in by using its significant influence to ensure that all Remgro's listed subsidiaries, joint ventures and associates endorse and apply the principles contained in King IV. Effective corporate governance forms part of Remgro's investment assessment criteria, which is further monitored on a continuous basis by non-executive board representation on its investee companies' boards. To this end, Remgro's corporate governance policies may be used as a benchmark, where appropriate.

Doing business ethically is one of Remgro's key objectives and is supported by the management of ethics as recorded in its Code of Ethics, which is strictly enforced. Effective leadership is to be exhibited in order to achieve Remgro's strategic objectives and positive outcomes.

Each individual member on the Board is suitably qualified and has extensive relevant experience. The Board, as a whole, is evaluated annually by its members.

To ensure that the individual directors exercise their powers and perform their functions in good faith and for a proper purpose, in the best interest of Remgro and with care, skill and diligence, Board members are required to disclose any potential conflict of interest which is to be considered at Board meetings, and are required to recuse themselves from relevant discussions when a conflict exists. Remgro has appointed an independent non-executive director as the Lead Independent Director (LID) to act as chairman during meetings in situations where the Chairman of the Board has a potential conflict of interest. The LID is involved in the evaluation of the Chairman.

Ethical and competent leadership committed to achieving the advocated outcomes of King IV, being **ethical culture, good performance, effective control and legitimacy.**

Organisational ethics

The Board believes that ethical behaviour stems from appropriate value systems inherent to the people in Remgro's employ, as directed and supported by visual ethical leadership and a value-driven corporate culture. Leadership, based on ethical foundations, results in a culture of ethical and moral behaviour and compliance.

The Board, as part of its ethical leadership commitment, reviews its Group Governance Framework Mandate annually in light of King IV, and confirmed that there is sufficient management capacity and controls in place to ensure compliance with all policies, relevant laws and salient industry practices.

The Board, however, retains the responsibility to establish and maintain a culture of integrity, competence, correctness, honesty, transparency, fairness, responsibility, diversity and accountability, to position Remgro as a trusted investment partner of choice.

Remgro has adopted a Code of Ethics that provides a framework of ethical practices and business conduct that is applicable to all directors and employees and addresses the key ethical risks of Remgro. The code is available to all employees on Remgro's intranet and a copy thereof is provided to all new employees. The Code of Ethics as well as a formal Gifts Policy provide strict policies regarding gifts, invitations or favours received from suppliers or any other party. The offering of benefits to gain unfair advantages is strictly prohibited.

Remgro's ethical standards are applied to the processes for the recruitment, evaluation of performance and reward of employees, as well as the sourcing of suppliers.

The Board provides for sanctions and remedies in instances where Remgro's ethical standards are breached. The actual adherence to ethical standards by employees and other stakeholders cannot be regulated, but stems from personal conviction. However, the Audit and Risk Committee monitors fraud risk and related processes and the Social and Ethics Committee monitors compliance with the Code of Ethics and addresses instances of non-compliance, should such ever occur.

The Company has effective anti-bribery, anti-corruption and fraud prevention and detection processes and ensures compliance and risk mitigation. No investigations were required or performed during the reporting period relating to breaches of the above codes and policies.

Remgro has implemented a whistleblowing process to enable employees and third parties to report any perceived or alleged irregular or unethical behaviour in a confidential and controlled environment. Reports are monitored and managed with regular feedback to the Audit and Risk Committee. A 24-hour anonymous Ethics hotline is managed by an independent external service provider and can be accessed telephonically or via email. During the year under review no alleged incident involving Remgro, its employees or officers was received. Where calls are to be received which relate to alleged irregularities at investee companies, such calls will be directed to the appropriate governance structures at the respective investee companies via the Remgro representatives serving on the boards of these companies. Where instances are reported regarding external criminal activity which illegally uses the Remgro name or identity and/or those of its officers, we proactively take steps to reduce such risk profiles and report such instances to the SAPS and where possible support such investigations.

An overview of the key areas of focus relating to organisational ethics during the reporting period and planned areas of future focus are disclosed in the Social and Ethics Committee Report, read with the committee's charter.

Responsible corporate citizenship

The Board is ultimately responsible for Remgro's corporate citizenship. This reflects Remgro's long-held belief that it has a fundamental responsibility to be a good corporate citizen, have clear principles of behaviour and a strong core value system. As a values-led business, Remgro acknowledges its social and environmental responsibility.

The Social and Ethics Committee assists the Board in ensuring that Remgro is and remains a good and responsible corporate citizen. In doing so, the committee works closely with the Strategic ESG Committee which oversees Remgro's approach to ESG performance and stewardship through policies, frameworks, standards and guidelines, informed by local and international best practice.

The Board oversees and monitors, on an ongoing basis, how the consequences of Remgro's strategies, activities and outputs affect its status as a responsible corporate citizen. This oversight and monitoring function is performed in relation to the triple context within which Remgro operates. It includes Remgro's contribution to sustainable social and economic development of the communities where it operates, where we serve with NGOs and Corporate Social Investment (CSI) projects involved in enterprise and community development, the creation of opportunities for young people in education and training, which are aligned to the United Nations Sustainable Development Goals.

Remgro recognises that as a sustainable investment steward, it can achieve the greatest progress in advancing its sustainability agenda by partnering with all investee companies across their value chains to influence and drive sustainable behaviour to achieve common and collective sustainability goals. Remgro is committed to helping those companies it invests in to shape their approach to corporate citizenship to ensure its investments reflect its ambition to create environmental, social and economic change throughout the entire ecosystem. Remgro is working across the Group to implement sustainable behaviour through ESG principles and consistent standards that collectively deliver greater and more measurable impact.

The Social and Ethics Committee is responsible for reviewing and recommending for approval the annual sustainability content included in Remgro's Integrated Annual Report and published on Remgro's website. The Social and Ethics Committee, per mandate, is also responsible for the monitoring of the effectiveness of the sustainable development practices of the Remgro Group, comprising Remgro and its subsidiaries, as set out below, thereby assisting the Board in achieving one of its values of doing business ethically.

Remgro's ESG and sustainable development practices include the following: ethics and compliance; corporate social investment (CSI); stakeholder relations; broad-based black economic empowerment (BBBEE); health and public safety; labour relations and working conditions; employment equity, training and skills development; management of the Remgro Group's environmental impacts, human rights and prohibition against child labour. The Social and Ethics Committee's oversight role includes the monitoring of any relevant legislation, other legal requirements or prevailing codes of best practice, specifically with regard to matters relating to social and economic development, good corporate citizenship, the environment, health and public safety, consumer relationships, as well as labour and employment.

Remgro reviews its Code of Ethics, Gifts Policy, Social Media Policy, HIV/Aids Policy and Safety, Health and Environmental Management Policy (SHE Management Policy) annually, in light of the principles and recommended practices of King IV.

The Social and Ethics Committee further monitors Remgro's participation and results achieved in external surveys, being the FTSE/JSE Responsible Investment Index and the CDP (formerly Carbon Disclosure Project). The Social and Ethics Committee signs off on Remgro's ESG and Sustainability Report and the inaugural Task Force on Climate-Related Financial Disclosures (TCFD) Report. These are aligned to the JSE Disclosure guidance document. In this regard the Social and Ethics Committee notes the external recognition and achievements by the Remgro Group.

Remgro believes that honesty, correctness, courtesy, service, mutual support and trust incorporate the spirit in which it strives to be a good corporate citizen. Workplace, economic, social and environmental sustainability practices, have always been part of Remgro's core values. The ESG and Sustainability Report provides a full understanding of Remgro's efforts to contribute to measurable positive social and environmental impact, alongside sustainable financial returns on the social and environmental front in order to achieve its key objectives of maximising value creation for all its stakeholders, while doing business ethically.

Corporate citizenship includes the commitment of a business to contribute to sustainable economic development and endorses the principle that no business exists in isolation but forms an integral part of the environment in which it operates. In its relationship with the community, Remgro strives to be a valued partner and, in this regard, its involvement in the community focuses on helping with eradicating the effects of poverty and investing in young people from disadvantaged communities in the belief that such an investment will provide sound dividends far into the future.

Remgro's CSI initiatives and donations programme covers a broad spectrum of society and can be summarised as follows: community development; cultural development; entrepreneurship, training and education; environment; healthcare and sport development.

Remgro aims to maintain a CSI spend of approximately 2.5% of its net free cash flow annually. In this regard, an official CSI committee meets regularly to consider and approve grants to institutions in need. Donations to qualifying institutions are made on an annual basis for a specific period and, although such contributions cover a wide range, no donations are made to political parties or religious institutions. Remgro respects and affirms its employees' Constitutional right to choose to participate in these institutions, but does not exercise a choice itself.

The Board believes that BBBEE is a social, political and economic imperative and it supports and encourages Remgro's subsidiaries', associates' and joint ventures' initiatives in this regard. To the extent that Remgro's subsidiaries, joint ventures and associates implement BBBEE, Remgro's shareholders effectively participate in BBBEE initiatives and the associated costs and benefits thereof. Remgro measures its BBBEE status against the generic scorecard criteria set by The Department of Trade, Industry and Competition. In terms of the latest assessment of Remgro's BBBEE status performed during September 2023, Remgro, including its subsidiaries, RCL Foods Limited (RCL Foods), Siqalo Foods Proprietary Limited (Siqalo Foods) and Wispeco Holdings Proprietary Limited (Wispeco), obtained a score of 68.60, thereby obtaining a level 7 contributor status.

As a **responsible investor,** the Board advocates adherence to **sound ethics and governance** by all entities Remgro is invested in.

Further, the Board has transformed over time. Seven of the 12 non-executive directors (58%) are black persons, and eight of all 15 directors (53%) are black persons. On Management Board level, one of the five members (20%) is a black person. Remgro monitors and contributes to its investees' BBBEE performance through its board representation and participation and facilitation of corporate actions in these investee companies. Employment equity represents Remgro's most significant transformation challenge. An annual labour plan is submitted to the Department of Employment and Labour, wherein Remgro's transformation objectives are set out in detail. Although efforts are focused on improving black representation at Remgro's management level, low staff turnover and limited organic growth remain limiting factors.

Remgro complies with the requirements of the Skills Development Act (No. 97 of 1998), in terms of which a fixed percentage of its payroll is paid as a training levy to the South African Revenue Service. An annual report concerning all the training which has taken place in Remgro is submitted to the Sector Education Training Authority.

As Remgro (excluding its subsidiaries RCL Foods, Siqalo Foods, Wispeco and Capevin) is not an operating company, it has a small procurement function and its procurement profile is characterised by a high professional service component as opposed to materials purchased. Although the procurement function is small, Remgro strives to make use of BBBEE accredited vendors (Level 3 and better) as far as possible.

In order to manage its impact on the environment, Remgro has implemented the Safety, Health and Environment (SHE) Management Policy, which is reviewed annually, and which applies to Remgro Management Services Limited (RMS). The Board is ultimately responsible for the implementation of the SHE Management Policy, but delegates its responsibilities to the Risk, Opportunities, Technology and Information Governance Operational Subcommittee (ROTIG) (which is a subcommittee of the Audit and Risk Committee) and the Social and Ethics Committee, which committees are responsible to review and recommend the approval of environmental procedures implemented and maintained by RMS. With regards to RCL Foods, Siqalo Foods, Wispeco and Capevin, it is the responsibility of Remgro's representatives on the boards of these companies to obtain assurance regarding the effectiveness and efficiency of their respective environmental and social management processes. The Operational ESG Committee continues to report to the Strategic ESG Committee.

The Board also focuses on legal and regulatory compliance as it advocates adherence to sound governance principles by all entities Remgro is invested in, by using its significant influence to ensure that all Remgro's listed subsidiaries and associates endorse and apply the principles contained in King IV. The Board annually reviews the application status of King IV's principles.

Remgro's Tax Policy entrenches the Group's focus in managing Remgro's tax affairs to do the following: (1) ensure full compliance with tax laws and regulations, in whichever jurisdiction Remgro has interests, (2) ensure that Remgro's tax affairs are congruent with responsible corporate citizenship, and (3) take account of related reputational repercussions. Remgro acknowledges that it has a responsibility not only to its shareholders, but to a larger group of stakeholders that includes tax authorities. In discharging this onus, Remgro co-operates with tax authorities by: (1) adhering both to the letter and spirit of the prevailing tax laws and regulations, and (2) cultivating accountable relationships with tax authorities across jurisdictions.

The Board also ensures that Remgro complies with and adheres to the Constitution of South Africa 1996, the law, leading standards, and adherence to its own codes of conduct and policies.

Further details regarding Remgro's sustainability practices, including an overview of the key areas of focus during the reporting period, highlights on sustainability and planned areas of future focus can be found in the ESG and Sustainability Report, which is available on Remgro's website.

Strategy and performance

Remgro's Board is ultimately accountable for the performance of Remgro, appreciating that strategy, risk, performance and sustainability are inseparable. The Board provides strategic direction by proposing, discussing and questioning, whilst evaluating and approving, plans and strategies based on the values and objectives of Remgro and stakeholder interests and expectations. The Board monitors Remgro's ESG performance in conjunction with the Strategic ESG Committee. The Board furthermore oversees Remgro's corporate actions via the Investment Committee, which is supported by an approved delegation of authority.

The Board's formal Board Charter, which is available on Remgro's website, defines key responsibilities of the Board, including *inter alia* directing the ethical standards, strategy and operations of the Remgro Group to build a sustainable business, while considering the impact of the Remgro Group's strategy on the triple context.

The Board has delegated the formulation and development of Remgro's strategy to the Management Board and has approved the policies and operational plans developed by management to give effect to the approved strategy. The Management Board's mandate is available on Remgro's website. The Management Board is furthermore supported by various senior management work streams, including one focused on new and disruptive technologies, being part of its future scanning processes.

Remgro's Investment Committee and investment managers are responsible for ensuring that the consideration of ESG issues is integrated into investment and management practices through the implementation of its responsible investment principles. This ensures Remgro adheres to strict principles and robust criteria to deliver sustainable financial returns, alongside the creation of positive, measurable ESG impact. During the year under review, Remgro initiated an Investment Managers' Conference and a series of Investment Managers' Workshops to engage on ESG. A key component of this was the introduction of a Standard Operations Procedure for all our investment managers to integrate ESG into their investment decisions.

The Board has approved, oversees and continually assesses Remgro's strategy, the risks, opportunities and other significant matters connected to the triple context in which Remgro operates; as well as the extent to which the proposed strategy depends on the resources and relationships connected to the various forms of capital (being financial, manufactured, human, intellectual, natural, social and relationship capital, as applicable) (capitals), the legitimate and reasonable needs, interests and expectations of stakeholders, and the increase, decrease or transformation of the various forms of capitals that may result from the execution of the proposed strategy.

As part of its oversight of performance, the Board is alert to the general viability of Remgro and its status as a going concern, which is considered at least twice a year. Executive directors contribute their insight to day-to-day operations, thereby enabling the Board to identify goals, provide direction and determine the feasibility and sustainability of the strategies proposed.

Reporting

The Board has approved management's determination of the reporting frameworks, including reporting standards and legal compliance, such as *inter alia* the International Financial Reporting Standards, the JSE Listings Requirements, as well as the Companies Act and the principles of the International Integrated Reporting Framework to the extent applicable.

The Board has approved management's basis for determining materiality for the purpose of deciding which information should be included in external reports. The Board issues the following reports, which is included in the Integrated Annual Report: the Chairman's Report, the Chief Executive Officer's Report, the Chief Financial Officer's Report, the Report of the Board of Directors, the Corporate Governance Report, the Social and Ethics Committee Report, the ESG and Sustainability Report, the Risk and Opportunities Management Report, the Audit and Risk Committee Report and the Remuneration Report, in order to meet the legitimate and reasonable information needs of material stakeholders.

Remgro's Integrated Annual Report focuses on substance over form, and provides a holistic view of Remgro's business model, how Remgro is managed and also how it manages its investments. Remgro's main focus is to provide a complete analysis of its business to satisfy the information needs of key stakeholders that make use of the Integrated Annual Report.

Sufficient controls are in place to ensure relevant, reliable and accurate reporting. The Social and Ethics Committee is responsible to review and recommend for approval the annual sustainability content included in the Integrated Annual Report or published in the ESG and Sustainability Report on Remgro's website. This also includes for the first time this year, disclosures aligned to the Task Force on Climate-Related Disclosures (TCFD) framework recommendations. The Audit and Risk Committee reviews the entire Integrated Annual Report and makes a recommendation to the Board regarding same. An external audit and various other assurance processes are used, as disclosed herein, to ensure that information provided to stakeholders is reliable. The Board is satisfied with the integrity of its external reports.

Remgro ensures that the relevant corporate governance disclosures required in terms of King IV, the Integrated Annual Report, Annual Financial Statements and Remgro's external reports and key mandates and policies are made available to stakeholders, and are published on its intranet and/or its website (as appropriate). The Integrated Annual Report, which is a standalone report, only includes an abridged version of the ESG and Sustainability Report as well as summary financial statements. The detailed ESG and Sustainability Report and Annual Financial Statements in respect of the year under review are available on Remgro's website at www.remgro.com. Remgro furthermore refers to its participation in the JSE FTSE Russell Index for disclosure benchmarking.

Primary role and responsibilities of the Board

Remgro has a fully functional Board that leads and controls the Remgro Group. The Board Charter identifies, defines and records the responsibilities, functions and composition of the Board and serves as a reference for new directors. All directors of Remgro have endorsed the Board Charter, which is regularly reviewed to guide its effective functioning.

During the year under review, the Board reviewed its Board Charter, in light of the principles and recommended practices of King IV. The Board is satisfied that it has discharged its duties and obligations as described in the Board Charter during the year under review.

One of the key responsibilities of directors and members of senior management serving in a non-executive capacity on the boards of Remgro's subsidiaries and other investee companies is the promotion of good governance by these companies, including, where appropriate, the adoption and implementation of principles and controls included in Remgro's policies. The activities of the directors and senior management serving on the boards of investee companies are furthermore governed by formal guidelines as approved by the Board.

The Board meets at least five times a year and follows an annual work plan to ensure that all relevant matters are dealt with. The Chairman meets with Remgro's CEO in between meetings throughout the year to discuss important issues. Members of the Board and its subcommittees receive an agenda, together with supporting documentation, at least one week prior to each meeting to enable them to be fully prepared for meetings.

All directors have unlimited access to the services of the Company Secretary and senior management, as well as to all Remgro's company records. The Company Secretary provides continuous guidance on corporate governance-related matters.

The Board has approved the protocol to be followed in the event that it, or any of its members or committees, need to obtain independent, external professional advice at Remgro's expense, on matters within the scope of their duties, with prior notification to the CEO or the Company Secretary. The Board has also approved the protocol to be followed by its non-executive members for requisitioning documentation from, and arranging meetings with, management, i.e. by the relaying of requests to a member of the Management Board or the Company Secretary who will be responsible for providing the necessary documentation and/or arranging the necessary meetings.

Board composition

Composition

In compliance with the recommended practices of King IV, the Board consists of 15 directors, three of whom are executive and 12 of whom are non-executive directors. Eight of the non-executive directors are independent. The composition of the Board reflects a balance between executive and non-executive directors, in order to ensure that there is a clear separation of responsibilities so that no one individual has unfettered decision-making powers.

Executive directors contribute their insight to day-to-day operations, thereby enabling the Board to identify goals, provide direction and determine the feasibility and sustainability of the strategies proposed. These directors are generally responsible for implementing all operational decisions.

Non-executive directors, on the other hand, are selected to serve on the Board for their broader knowledge, skills and experience, which is needed to govern Remgro, and they are expected to contribute effectively to decision-making and the formulation of policy.

The Board promotes diversity in its membership across a variety of attributes, including field of knowledge, skills and experience, age, culture, race and gender. The Remuneration and Nomination Committee has adopted a Board Diversity Policy. The policy on the promotion of diversity applies only to the Board and although formal targets are not set, the Remuneration and Nomination Committee pursues all opportunities to enhance the gender and race diversity of the Board. The Board has transformed, with seven of the 12 non-executive directors (58%) being black persons, eight of all 15 directors (53%) being black persons, and three of all 15 directors (20%) being females and, on Management Board level, one of the five members (20%) is a black person and one of the five members is a female (20%).

The Board is satisfied that its current members possess the required collective knowledge, skills and experience to carry out its responsibilities, to achieve the Remgro Group's objectives and create shareholder value over the long term. Details on each individual director can be found on pages 90 to 93 of the Integrated Annual Report.

Nomination, election and appointments

There is a formal and transparent process for appointments to the Board. The appointment of directors is a function of the entire Board, based on recommendations made by the Remuneration and Nomination Committee.

When considering nominations, the Board considers the collective knowledge, skills and experience required by the Board, the diversity of the Board and whether the candidate meets the appropriate fit and proper criteria.

The candidates for non-executive members of the Board must provide the Board with details of their professional commitments and confirm that the candidate has sufficient time available to fulfil the responsibilities as member of the Board. All nominated candidates' backgrounds are independently investigated, and their qualifications are independently verified.

A brief professional profile of each candidate standing for election at the Annual General Meeting (AGM), including details of existing professional commitments, accompanies the notice of the AGM, together with a statement from the Board confirming that it supports the candidate's election and/or re-election.

Newly appointed directors follow an extensive induction programme coordinated by the Company Secretary upon their appointment, to ensure that they can make a meaningful contribution in a shorter amount of time. The induction programme includes the provision of an induction pack consisting of, *inter alia*, agendas and minutes of the two most recent Board and subcommittee meetings, the latest Annual Financial Statements and Integrated Annual Report, Remgro's Code of Ethics, induction meetings with executive directors and senior management (if requested) as well as information on the JSE Listings Requirements. This process ensures that new directors obtain a good understanding of Remgro's core business and their fiduciary duties.

Regular briefings on legal and corporate governance developments, and risks and changes in the external environment of Remgro, are provided to directors.

In terms of the Memorandum of Incorporation of Remgro, at least one third of the directors must resign annually on a rotation basis, but may make themselves available for re-election for a further term. The directors to retire shall be those who have been longest in office since their last election. A director who has already held his or her office for a period of three years since his or her last election shall retire at such meeting.

Nomination for re-election only occurs after the evaluation of the performance of the Board and is therefore based on the director's past performance, including attendance at Board meetings and its committee meetings, the director's contribution and his or her objectivity of business judgement calls. The Board has established a succession plan for its directorship.

Independence and conflicts

The independence of non-executive directors who are categorised as independent is reviewed annually and the independence of independent non-executive directors who have served on the Board for more than nine years is subject to a review by the Board. The Board assesses independence in light of any interest, position, association or relationship, which when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in the decision-making of a non-executive director who is categorised as independent. The tenure of each director is disclosed on pages 90 to 93 of the Integrated Annual Report.

Each director must submit to the Board a declaration of all financial, economic and other interests held in Remgro by the director and his or her related parties whenever there are significant changes and as soon as they become aware of it. At the beginning of each Board meeting, Board members and committee members are also required to disclose any conflict of interest in respect of a matter on the agenda. Any such conflicts are proactively managed as determined by the Board, subject to legal provisions.

All information not disclosed publicly, which directors acquire in the performance of their duties must be treated as confidential and may not be used for personal advantage or for the advantage of third parties. In this regard, directors must comply with, *inter alia,* Remgro's Code of Ethics, the provisions of the Financial Market Act (No. 19 of 2012) (regarding "inside information"), and the JSE Listings Requirements (regarding "price-sensitive information"), in any disclosure of information, dealings in securities and the disclosure of such dealings.

Chairman

The Chairman is elected by the Board on an annual basis, along with a deputy chairman. The roles and responsibilities of the Chairman are documented in the Board Charter and are separate from that of the CEO.

The Chairman of the Board, Mr Johann Rupert, is not an independent non-executive director. The Board acknowledges the recommended practice of King IV to appoint an independent non-executive director as Chairman, but given his knowledge of the business and his commercial experience and the responsibility of the Board to focus on performance in directing the commercial and economic fortunes of Remgro, this arrangement is deemed not only appropriate, but also essential for achieving the business objectives of Remgro. However, in compliance with King IV and the JSE Listings Requirements, the Board has appointed Ms S E N De Bruyn as the LID. The main function of the LID is, *inter alia*, to provide leadership and advice to the Board, without detracting from the authority of the Chairman, when the Chairman has a conflict of interest. The responsibilities of the LID are documented in the Board Charter. The LID is appointed by the Board on an annual basis.

The Board is satisfied with the number of outside professional positions that the Chairman holds and is confident that such positions do not hinder him from performing his duties. The Board has established a succession plan for the position of chairman.

Committees of the Board

The Board delegates certain roles and responsibilities to individual directors and to standing or *ad hoc* board committees. The Board, however, understands that delegation of its responsibilities to a committee or a particular director will not by or of itself constitute a discharge of the Board's accountability.

Specific responsibilities are delegated to the Board's subcommittees, which have defined tasks in terms of approved mandates. The delegation to committees has been recorded by means of formal terms of reference for each committee, which terms of reference are reviewed annually by the Board. Feedback on the committees' activities is submitted to the Board at each Board meeting following the relevant committee meeting.

Members of the executive and senior management are invited to attend committee meetings either by standing invitation or on an *ad hoc* basis to provide pertinent information and insights in their areas of responsibility.

Audit and Risk Committee

Remgro has appointed an Audit and Risk Committee, which consists of four suitably skilled and experienced independent non-executive directors. One of the members of the committee is appointed by the Board to chair the committee.

Attendance at meetings of members

	Board	Audit and Risk Committee	Remuneration and Nomination Committee	Social and Ethics Committee	Management Board	Strategic ESG Committee
Number of meetings held	**6**	**4**	**2**	**3**	**10**	**4**
Attendance by directors						
Non-executive directors						
J P Rupert	**6**		**2**			
J Malherbe	**6**					
P J Neethling	**6**					
A E Rupert	**5**					
Independent non-executive directors						
S E N De Bruyn	**6**	**4**	**2**	**3**		**4**
T Leoka[(1)]	**1**					
N P Mageza	**5**	**4**		**3**		
P J Moleketi	**6**	**4**	**2**			
M Morobe	**5**			**3**		**4**
G G Nieuwoudt	**6**					
K S Rantloane	**6**					**4**
F Robertson	**6**	**4**	**2**			
Executive directors and Management Board						
J J Durand	**6**				**10**	
P R Louw				**3**	**10**	
M Lubbe	**6**				**10**	**4**
P J Uys				**3**	**10**	**4**
N J Williams	**6**				**10**	

[(1)] *Dr T Leoka was appointed as independent non-executive director with effect from 22 March 2023 and attended all the meetings since her appointment.*

No in-person meeting was held by the Investment Committee during the year under review. One resolution was passed via round robin. The Investment Committee had *ad hoc* discussions regarding corporate actions and also made recommendations to the Board for consideration.

The Audit and Risk Committee is responsible for the oversight of Remgro Group's Integrated Annual Report, internal financial controls and accounting systems, internal audit, external audit, risk and opportunities management, the consolidated financial statements and any other intended releases of price-sensitive information for external distribution or publication, including those required by any regulatory or statutory authority. The Audit and Risk Committee is responsible to ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.

The responsibilities of the Audit and Risk Committee are codified in a formal term of reference, which is reviewed at least annually and which is available on Remgro's website. During the year under review, the Board reviewed the terms of reference of the Audit and Risk Committee, in light of the principles and recommended practices of King IV. An Audit and Risk Committee Report is published each year describing how the committee has discharged its duties.

The Board believes that the current members of the Audit and Risk Committee are suitably skilled and experienced. The CEO and CFO are not members of the Audit and Risk Committee, but attend meetings by invitation, if needed, to contribute pertinent insights and information.

The Audit and Risk Committee annually performs a review of Remgro's CFO and the finance function. Remgro has appointed an executive financial director, being the CFO of Remgro (Mr Neville Williams). The Audit and Risk Committee is satisfied as to the appropriateness of the expertise and experience of the financial director.

The Audit and Risk Committee meets at least annually with the internal and external auditors, respectively, without management being present, to facilitate an exchange of views and concerns that may not be appropriate for discussion in an open forum.

The Audit and Risk Committee has, during the year under review, nominated independent external auditors, PricewaterhouseCoopers Inc. (PwC), approved its fee and determined its terms of engagement. The appointment was presented to the shareholders of Remgro at the AGM for approval. The Committee is satisfied that Remgro's external auditors are independent of Remgro and are thereby able to conduct their audit functions without any undue influence. The designated external audit partner rotates every five years. PwC has been the auditor of the Company for 55 years. The business of the Company was previously transacted through Rembrandt Group Limited of which, based on available statutory records, PwC and its predecessor firms have been the external auditor for 75 years. The committee is satisfied with PwC's independence from the Company, notwithstanding its tenure as external auditor.

Following a comprehensive tender process during the 2021 financial year, the Audit and Risk Committee recommended to appoint Ernst & Young Inc. (EY) as the new external auditors of Remgro, with effect from the financial year ending 30 June 2024. An indicative non-binding advisory vote to appoint EY, with effect from the 2024 financial year, was tabled at Remgro's AGM held on 25 November 2021. At the meeting, 99.72% of the ordinary shareholders, which excludes the votes of the B ordinary shareholders, voted in favour of the appointment of EY, with effect from the 2024 financial year. The ordinary resolution to affect the statutory appointment would serve at the Company's 2023 AGM. Subject to the passing of the relevant ordinary resolutions at the Company's 2023 AGM, EY will be elected to act as external auditor of the Company for the financial year ending 30 June 2024.

The Audit and Risk Committee meets at least four times during a reporting period. The effectiveness of the Audit and Risk Committee is evaluated on an annual basis by way of self-evaluation and an evaluation by the Board.

The Audit and Risk Committee provides feedback to the Board at each board meeting following an Audit and Risk Committee meeting. Reporting to shareholders is done through the Audit and Risk Committee Report included in the Integrated Annual Report on pages 135 to 137.

The Audit and Risk Committee is satisfied that Remgro has established appropriate financial reporting procedures and that those procedures are operating; and the committee is satisfied that it has fulfilled its responsibilities in terms of its terms of reference. The Board is also satisfied that the Audit and Risk Committee has executed its responsibilities.

Social and Ethics Committee

The Board has delegated the general oversight and reporting of sustainability to the Audit and Risk Committee, assisted by the Social and Ethics Committee. The Social and Ethics Committee oversees and reports on Remgro's ethics, sustainable development and stakeholder relationships; and ensures that Remgro is and remains a good and responsible corporate citizen. The role and responsibilities of the Social and Ethics Committee are codified in a charter (which is available on Remgro's website), which charter is reviewed at least annually; and was reviewed during the reporting period, in light of the principles and recommended practices of King IV. A Social and Ethics Committee Report is published each year describing how the committee has discharged its duties.

The Social and Ethics Committee currently consists of five members, which include executive and non-executive members, with a majority being independent non-executive directors. The Board believes that the current members of the committee are suitably skilled and experienced.

The Social and Ethics Committee meets at least twice during a reporting period. The effectiveness of the Social and Ethics Committee is evaluated on an annual basis by way of self-evaluation and an evaluation by the Board.

Reporting to shareholders is done through the Social and Ethics Committee Report, which is included on pages 130 to 131. The Social and Ethics Committee is satisfied that it has fulfilled its responsibilities in terms of its charter. The Board is also satisfied that the Social and Ethics Committee has executed its responsibilities.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee consists of four members. All members of the Remuneration and Nomination Committee are non-executive directors, with the majority being categorised as independent. The Chairman acts as *ex officio* chairman of the Remuneration and Nomination Committee.

Although he is not independent, the Board is supportive of his chairmanship given the necessity to align Remgro's remuneration approach with corporate strategy, and the fact that he receives no remuneration from Remgro.

The Remuneration and Nomination Committee meets at least once a year. The CEO attends all meetings of the committee *ex officio*. The Remuneration and Nomination Committee's mandate (which is available on Remgro's website) is reviewed annually and the committee's effectiveness is assessed in terms thereof. The Remuneration and Nomination Committee is satisfied that it has fulfilled its responsibilities in terms of its terms of reference. The Board is also satisfied that the Remuneration and Nomination Committee has executed its responsibilities.

Performance evaluations

The Board and the independence of the independent non-executive directors are evaluated annually by the LID and the Board. The performance of directors is not evaluated on an individual basis. The subcommittees of the Board are self-evaluated annually by their members with feedback to the Board, as well as by the Board itself.

The Board determines its functions, duties and performance criteria (which *inter alia* takes the principles and recommended practices of King IV into consideration), as well as those for subcommittees, to serve as a benchmark for the performance appraisals. The Board has decided not to disclose the overview of the appraisal process, results and action plans in the Integrated Annual Report due to the potential sensitive nature thereof.

The Board, led by the Lead Independent Director (LID), considered the independence of the independent, non-executive directors, and is satisfied with their independence, including the independence of Messrs Fred Robertson (appointed 28 March 2001), Murphy Morobe (appointed 18 June 2007), Peter Mageza (appointed 4 November 2009) and Jabu Moleketi (appointed 4 November 2009) who each has served on the Remgro Board for more than nine years. Based on an evaluation of the aforementioned directors, there is no evidence of any circumstances or relationships that will impair their judgement, and the Board is satisfied that their independence is in no way affected by their length of service.

As mentioned above, the Board has appointed a LID to lead the evaluation of the Chairman's performance.

The Board is satisfied that the evaluation process has the effect of continuously improving Remgro's performance and effectiveness.

Remgro's **primary objective** is to **maximise value creation and sustainable growth** and in this regard particular care is taken to **ensure** that all **shareholders, or classes of shareholders,** are treated equitably.

Appointment and delegation to management

The Board delegates authority in a manner that articulates its direction on reservation and delegation of power. The Board ultimately leads and controls the Remgro Group in all issues of a material or strategic nature, which can impact the reputation and performance of the Remgro Group. Other issues are dealt with by the Management Board and/or the Investment Committee, or by senior management, as permitted in terms of a formal delegation of authority.

The Board is satisfied that its delegation of authority contributes to role clarity and the effective exercise of authority and responsibilities.

Management Board

The Management Board is a subcommittee of the Board that is mainly responsible for determining policies, monitoring and managing existing investments, identifying and recommending new investment opportunities and executing the decisions and strategy approved by the Board. The Management Board's mandate is available on Remgro's website. During the year under review, the Board reviewed the Management Board's mandate, in light of the principles and recommended practices of King IV.

The Management Board currently comprises five members, being all three executive directors on the Board as well as Messrs Pieter Louw and Pieter Uys. The CEO is the Chairman of the Management Board. The Management Board meets on an almost monthly basis to ensure the proper execution of its responsibilities. The effectiveness of the Management Board is evaluated on an annual basis by way of a self-evaluation process and an evaluation by the Board.

Investment Committee

The Investment Committee is a subcommittee of the Board that is responsible for considering and approving new investments, the extension and disposal of existing investments, and to consider and make recommendations to the Board regarding all other investments falling outside its mandate, which mandate is available on Remgro's website. The Investment Committee is responsible for ensuring that ESG issues are integrated into investment and management practices through its ESG Investment Framework in collaboration with the Strategic ESG and Operational ESG Committees. During the year under review, the Board reviewed the Investment Committee mandate, in light of the principles and recommended practices of King IV.

The Investment Committee comprises seven members (with one member having an alternate), being five non-executive directors as well as the CEO and CFO. The chairman of the Board is the Chairman of the Investment Committee. The Investment Committee meets on an *ad hoc* basis. The effectiveness of the Investment Committee is evaluated on an annual basis by way of a self-evaluation process and an evaluation by the Board.

Valuation Committee

The Valuation Committee has been established as a subcommittee of the Audit and Risk Committee with effect from 28 May 2021. The committee assists the Audit and Risk Committee in determining and recommending the valuations of Remgro's unlisted investments and the internal valuations of Remgro's material investments, to the Board.

During the year under review, the Audit and Risk Committee reviewed the Valuation Committee mandate.

The Valuation Committee comprises seven members, being five non-executive directors as well as the CEO and CFO and is chaired by an independent non-executive director. The majority of the members of the Committee are independent. The Valuation Committee meets at least twice during a reporting period.

Environmental, Social and Governance Committees

The Board established Strategic and Operational ESG Committees with effect from 25 November 2021. Their purpose is to assist the Board in providing direction and fulfil oversight responsibilities with respect to the implementation and development of Remgro's ESG strategy and its ambition to achieve and be recognised for best practice in ESG and sustainability. Ms Tanis Brown was appointed as the ESG and sustainability manager.

The Strategic ESG Committee is a subcommittee of the Board comprising five members, including three independent non-executive directors as well as the Chairman of the Operational ESG Committee and the Board director responsible for compliance and CSI. The committee meets quarterly.

The Operational ESG Committee is a subcommittee of the Strategic ESG Committee and comprises members of the Management Board and senior management. The committee meets monthly.

Reporting to shareholders is achieved through the Abridged ESG and Sustainability Report in the IAR which can be found on pages 68 to 71 and in the full ESG and Sustainability Report available on our website.

CEO and CFO roles

The CEO and the CFO are appointed by the Board on an annual basis and are *ex officio* members of the Board. The CEO, Mr Jannie Durand, is responsible for the day-to-day management of Remgro and he is assisted in this regard by Mr Neville Williams, the CFO of Remgro. Between them they have 56 years of service working for Remgro and Remgro-related businesses, and are both individuals with the necessary competence, character and authority and are adequately resourced to fulfil their roles.

The CEO is responsible for leading the implementation and execution of approved strategy, policy and operational planning and serves as the chief link between the Management Board and the Board. The CEO is accountable and reports to the Board and the Board evaluates the CEO's performance annually. The CEO and the CFO take up additional professional positions, the majority of which can be found on page 93 of the Integrated Annual Report.

The Board has a succession plan, which is reviewed periodically, for the position of CEO and the remaining members of the Management Board, in order to ensure continuity of executive leadership.

Company Secretary

The appointment of the Company Secretary has been approved by the Board and the Board is responsible for the removal of the Company Secretary. Ms Danielle Dreyer is the Company Secretary of Remgro and is a full-time employee of Remgro.

The Company Secretary has unfettered access to the Board but is not a member of the Board. The Company Secretary is responsible for providing guidance to the Board collectively, and to the directors individually, with regards to their duties, responsibilities and powers and making them aware of legislation and regulations relevant to Remgro. All directors have unlimited access to the services of the Company Secretary. The Board is satisfied that the arrangements in place to access these services are effective.

The Company Secretary is furthermore responsible to ensure that proper corporate governance principles are adhered to and that Board orientation or training is given, when appropriate, based on annual performance evaluations. The Company Secretary ensures the proper administration of the proceedings and matters relating to the Board, Remgro and the shareholders of Remgro in accordance with applicable legislation and procedures.

The Company Secretary reports to the Board through the Chairman on all statutory duties and functions performed in connection with the Board. Regarding other duties and administrative matters, the Company Secretary reports to executive management.

The Board conducts an annual evaluation of the Company Secretary's competence, qualifications and experience, as required by the JSE Listings Requirements. The evaluation process includes an assessment by each member of the Board of the Company Secretary's eligibility, skills, knowledge and execution of duties. The Board is satisfied that the Company Secretary has the necessary competence, qualifications, experience, gravitas and objectivity to provide independent guidance and support at the highest level of decision-making in Remgro.

Risk and opportunities governance

The Board is ultimately accountable for the Remgro Group's risk and opportunities management process and system of internal control. The Board has implemented and maintained a comprehensive risk and opportunities management system, which incorporates continuous risk and opportunity identification and assessment, evaluation and internal control embedment.

The risk and opportunities management process entails the planning, arranging and controlling of activities and resources to minimise the negative impacts of risks to levels that can be tolerated by Remgro, as well as to optimise the opportunities presented by certain risks. In addition, the processes assess strategic risk and the alignment of strategy to the mission and vision of Remgro. As Remgro is an investment holding company, the risk and opportunities management process takes cognisance of risks and opportunities within Remgro as well as the risks and opportunities inherent to its investment portfolio.

The Board has evaluated and agreed on the nature and extent of the risks that Remgro is willing to take in pursuit of its strategic objectives. The Board formalises and approves risk appetite, risk-bearing capacity and risk tolerance levels on an annual basis.

The Audit and Risk Committee is integral in the implementation of the enterprise-wide Risk and Opportunities Management Policy, as it is mandated by the Board to monitor the risk and opportunities management processes and systems of internal control for Remgro and its wholly owned subsidiaries. The Audit and Risk Committee provides feedback to the Board on the effectiveness of the Remgro Group's risk and opportunities management processes, at least annually.

The Risk and Opportunities Management Policy defines the objectives, methodology, processes and responsibilities of the various management role players in Remgro. The Risk and

Opportunities Management Policy seeks to, *inter alia*, assess the risks and opportunities emanating from the triple context in which Remgro operates and the capitals that Remgro use and affect to optimise resilience, performance and resource deployment. The Risk and Opportunities Management Policy is subject to annual review and any proposed amendments are submitted to the Audit and Risk Committee for consideration and thereafter for recommendation to the Board for approval. During the year under review, the Board reviewed the Risk and Opportunities Management Policy in light of the principles and recommended practices of King IV and the current COSO Enterprise Risk Management Framework.

The Audit and Risk Committee has assigned oversight of the operational risk and opportunities management function to the ROTIG Committee, which is a subcommittee of the Audit and Risk Committee. The mandate of the ROTIG Committee includes the maintenance of the Risk and Opportunities Management Policy, establishment of an operational risk and opportunities register, technology and information risk management, legal compliance and occupational health and safety. During the year under review, the Audit and Risk Committee reviewed the ROTIG Committee's mandate in light of the principles and recommended practices of King IV.

An annual independent internal audit review is done regarding the effectiveness of the ROTIG Committee, which is part of the risk and opportunities management process approved by the Board. The ROTIG Committee furthermore assessed its performance against its mandate and reported the positive results of this assessment to the Audit and Risk Committee.

The ROTIG Committee is chaired by the CFO and the 15 other members are all senior managers of Remgro. The Chairman of the Audit and Risk Committee has a standing invitation to attend the meetings as an *ex officio* member to ensure the effective functioning of this committee and that appropriate risk information is shared with the committee.

The Remgro Group's risk and opportunities assessment, which includes all companies in the Remgro investment portfolio, is assessed by the Management Board on an annual basis.

Remgro's internal audit division is an effective independent appraisal function and forms an integral part of the enterprise-wide risk and opportunities management system that provides assurance on the effectiveness of Remgro's system of internal control. The Audit and Risk Committee has, during the year under review, evaluated reports on the effectiveness of the systems of internal controls conducted by the internal audit function, considered information provided by management and held discussions with the external auditor on the results of their audit.

Further details on Remgro's risk management function are contained in the Risk and Opportunities Management Report, which is included on pages 122 to 129. The Audit and Risk Committee is satisfied that the system, as well as the process of risk and opportunities management, is effective.

Remgro has a duly constituted Safety, Health and Environment Committee, as required by the Occupational Health and Safety Act (No. 85 of 1993). The committee is a subcommittee of the ROTIG Committee and ensures that Remgro provides and maintains a safe and healthy risk-free environment for staff and visitors by identifying risks and ensuring that controls designed to mitigate these risks are effective and complied with. It further monitors environmental practices.

An overview of the key areas of focus during the reporting period, planned areas of future focus as well as the objectives, and the key risks that Remgro faces are contained in the Risk and Opportunities Management Report.

Technology and information governance

The Board and executive management acknowledge the significant impact of technology and information on Remgro's business.

Technology and information governance is well defined within Remgro. The Technology and Information Governance Policy defines the scope, roles and responsibilities of technology and information governance to ensure technology and information supports and enables the achievement of Remgro's business objectives and articulates and gives effect to Remgro's direction on the employment of technology and information. This policy considers the principles and recommended practices of King IV and is supplemented by the Technology and Information Acceptable Use Policy and the Information Security Policy. All policies are reviewed on an annual basis.

In terms of the Technology and Information Governance Policy, the Board exercises oversight over the governance committees and is satisfied that technology and information is properly managed in accordance with industry frameworks and aligned with the performance and sustainability objectives of the Remgro Group's business. Ms Stephanie du Toit is Head of Technology and Information.

The Audit and Risk Committee assists the Board in carrying out its technology and information responsibilities by monitoring the progress on the technology and information assurance plan and control-related projects directly.

The ROTIG Committee (through the Audit and Risk Committee) supports the Board in executing its technology and information governance responsibilities by reviewing technology strategy, policy and risk management on a quarterly basis.

The Head of Technology and Information reports to the Remgro CFO who is the representative director on the Board. Technology and information-related matters are addressed by a Technology and Information Steering Committee, chaired by the head of Technology and Information and comprising six other members of senior management. This committee implements and upholds the governance system and advises the ROTIG Committee on the progress regarding technology and information-related operations and projects. The Technology and Information Steering Committee is also responsible for policy education and security awareness campaigns aimed at employees, and monitoring adherence to the Technology and Information policies. The Head of Legal fulfils the role of Information Officer in terms of the Protection of Personal Information Act 4 of 2013 (POPIA) and its regulations. He is responsible for POPIA compliance and reports to the Technology and Information Steering Committee in line with the committee's role to lead and promote technology and information governance.

Remgro has outsourced its technology and information operations to credible service providers through comprehensive Service Level Agreements. The Service Level Agreements of the service providers, which deal with *inter alia* key deliverables such as system and user support, system availability, cyber risk management, end-point protection, communication services and general technology controls, are reviewed annually and their compliance is monitored on an ongoing basis. Technology and information service management is based on the Information Technology Infrastructure Library (ITIL) framework. Our primary service providers are also ISO certified.

Also refer the Risk and Opportunities Management Report on page 122.

Technology and information governance

Policies

- Technology and Information Governance Policy
- Acceptable Technology and Information Use Policy
- Information Security Policy
- POPIA Framework
- Privacy Policies (internal and external)
- Document Retention Policy
- Information Sharing and Subject Access Request Policy
- Security Compromise Policy

Practices

- Risk and Opportunities Register
- IT Assurance Plan
- Risk Treatment Plan
- Vulnerability Assessments
- Penetration Testing
- Security Monitoring Services
- User Awareness Training
- Cyber Insurance Services

Compliance

Compliance with laws, rules, regulations and relevant codes is integral to Remgro's risk and opportunities management process. The Audit and Risk Committee is responsible to, *inter alia*, ensure that an appropriate compliance framework is in place, that non-compliance is reported and to review any major breach of relevant legal and regulatory requirements. The Social and Ethics Committee has also been mandated to monitor the effectiveness of compliance management in the Remgro Group.

The Audit and Risk Committee monitors compliance with the Code of Ethics and addresses instances of fraud or irregularities. The Remgro Group has an effective anti-corruption, fraud prevention and detection process and ensures compliance and risk mitigation. There were no alleged incidents, pertaining to Remgro, its officers and employees, reported during the year.

During the year under review, the Board reviewed Remgro's Group Governance Framework Mandate in light of the principles and recommended practices of King IV. The Board has confirmed that there is sufficient management capacity and controls in place to ensure that all relevant laws and industry practices are complied with. The Legal Compliance Policy and Framework identifies which non-binding rules, codes and standards have been adopted by Remgro.

The legal department updates management regularly on all changes in relevant legislation and regulations and legal compliance is managed and monitored on an ongoing basis and reported on to the Audit and Risk Committee.

Compliance controls also vest with senior management, who are required to report to the ROTIG Committee on a regular basis regarding their compliance using a control self-assessment methodology. This process is incorporated into the annual combined assurance plan.

The Company Secretary is responsible for providing guidance to the Board collectively and to the directors individually, with regards to their duties, responsibilities and powers; making them aware of legislation and regulations relevant to Remgro. The Company Secretary is responsible to ensure the proper administration of Board proceedings and matters in accordance with applicable legislation and procedures.

Legal compliance is a standing agenda item for Board meetings. Feedback on the Remgro Group's legal and regulatory risks is provided to the Audit and Risk Committee on a regular basis. The Board oversees that compliance is understood not only for the obligations it creates, but also for the rights and protections it affords, that compliance management is to be understood taking a holistic view of how applicable laws and non-binding rules, codes and standards relate to one another; and that compliance entails continual monitoring of the regulatory environment and appropriate responses to changes and developments.

Ms Mariza Lubbe, as an executive director, is responsible for compliance and corporate social investments. In her duties relating to compliance, she monitors Remgro's responsibilities in terms of the Companies Act, the JSE Listings Requirements and King IV, as well as the proper and lawful implementation of Remgro's corporate actions.

Remuneration

Remgro's Remuneration and Nomination Committee is responsible for, *inter alia*, the establishment of a remuneration policy, overseeing the setting and administering of the remuneration of all directors, Management Board members and other employees, as well as the compensation of non-executive directors (which compensation is ultimately approved by the shareholders by special resolution before payment thereof).

The Remuneration and Nomination Committee advises the Board on matters such as the remuneration principles and terms of employment of all directors and Management Board members, the Board structure and composition, directors' remuneration and long-term incentive schemes and succession plans for the Board, CEO and other Management Board appointments.

Remgro has a formal Remuneration Policy that sets out the remuneration principles for the organisation as a whole. The Remuneration Policy is aligned with Remgro's approach of rewarding all employees fairly and competitively, according to their capabilities, skills, responsibilities and level of performance. The level of salaries to employees is one of a number of elements in its strategy to retain, motivate and, where necessary, recruit high-quality people.

The Remuneration Report provides an overview and understanding of Remgro's remuneration principles, policy and practices. The remuneration of directors and prescribed officers is disclosed in the Remuneration Report on page 120. The Board has decided that independent non-executive directors should not be remunerated by means of a base fee and attendance fee in respect of their Board and committee obligations. The fee paid to non-executive directors is thus a fixed annual fee for the Board and the respective subcommittees they serve on. The only exception to this principle is the attendance fee per meeting applicable to the *ad hoc* committee meetings such as the Company ROTIG meeting. The requisite number of Investment committee meetings cannot be determined at the start of a financial year, and to prevent Board members being remunerated for a function that could occur occasionally the Remuneration and Nomination Committee approved a fixed fee per meeting attended. This was decided as many directors add significant value to the Remgro Group outside of the formal Board and committee meetings, sometimes greater than they might do within the confines of a formal meeting.

With effect from 2017, Remgro tables its Remuneration Policy and Remuneration Implementation Report for separate non-binding advisory votes by shareholders at its AGMs. In the event of a 25% or more dissenting vote on the Remuneration Policy or Remuneration Implementation Report (or both) the Remuneration and Nomination Committee will engage with the dissenting shareholders as recommended by King IV.

Remgro's Remuneration Policy and Remuneration Implementation Report were tabled for separate non-binding advisory votes at Remgro's AGM held on 30 November 2022. At the meeting, 64.91% and 70.35% of the ordinary shareholders, which excludes the votes of the B ordinary shareholders, voted in favour of the Remuneration Policy and Remuneration Implementation Report, respectively.

Assurance

Combined assurance

The Board acknowledges its accountability to its stakeholders to present information that is relevant, accurate and reliable. In this regard it should be noted that Remgro follows a combined assurance model, incorporating management, internal audit and external assurance (e.g. BBBEE scorecard verification and CDP verification). Remgro believes that these assurance methods provide the necessary assurance over the quality and reliability of the information presented. The different options and levels of independent assurance available are continuously being reassessed to ensure optimised assurance.

The consolidated Annual Financial Statements of Remgro were audited by the independent external auditors, PricewaterhouseCoopers Inc., in accordance with International Standards on Auditing. Remgro acknowledges the increasing requirements from investors and regulatory and other guidelines, such as King IV and the integrated reporting guidelines, for the external assurance of selected non-financial information.

The Audit and Risk Committee is responsible to ensure that the combined assurance model is applied to provide a coordinated approach to all assurance activities, and that the combined assurance received is appropriate to address all the significant risks facing Remgro. It is also responsible to monitor the relationship between external service providers and Remgro. Various other voluntary external accreditation, certification and assurance initiatives are followed in the Remgro Group.

Remgro has implemented an enterprise-wide risk and opportunities management system that forms part of the overall combined assurance plan. Technology and information risk and opportunities management is fully integrated and included in Remgro's combined assurance process.

The Board is satisfied that a combined assurance model is applied which incorporates and optimises the various assurance services and functions so that these support the objectives for assurance.

The Board's direction takes into account legal requirements in relation to assurance and whether assurance should be applied to the underlying data used to prepare a report, or to the process for preparing and presenting a report, or both. In determining how to assure external reports, consideration is given to whether the nature, scope and extent of assurance are suited to the intended audience and purpose of a report; and the evaluation of the underlying subject matter of the report. The Board is satisfied that the external reports of Remgro meet the recommended practices of King IV.

Internal audit

Internal audit forms an integral part of Remgro's enterprise-wide risk and opportunities management system to provide assurance on the effectiveness of Remgro's risk and opportunities management process and system of internal control. The internal audit function is independent from management with unfettered access to the Audit and Risk Committee and executive management.

Remgro's Chief Audit Executive (CAE) provides an annual written assessment to the Audit and Risk Committee on the effectiveness of the Remgro Group's governance, the control environment and system of internal controls and risk and opportunities management. The Audit and Risk Committee is satisfied with the independence, quality and scope of the internal audit process.

Reports on the effectiveness of Remgro's internal controls are included in the Risk and Opportunities Management Report and the Audit and Risk Committee Report. The Audit and Risk Committee has, *inter alia*, considered the reports from the internal and external auditors and satisfied itself about the adequacy and effectiveness of the Remgro Group's systems of internal control.

During the year under review, the Audit and Risk Committee reviewed the Internal Audit Mandate for approval by the Board, in light of the principles and recommended practices of King IV.

The Board continuously monitors that the internal audit follows a comprehensive quality assurance and improvement process, regularly reviews Remgro's risk profile and approves the risk-based annual internal audit work plan accordingly.

The Audit and Risk Committee has appointed Mr Deon Annandale as Remgro's CAE. The Board is satisfied with the attributes, objectivity and independence of the CAE, and that the CAE has the necessary gravitas and competence. The CAE is invited to attend meetings of the Management Board, as and when required, in addition to standing invitations to the ROTIG, Operational ESG and Treasury Committees' meetings and the investment strategy conference.

An external, independent quality review of the internal audit function is conducted at least once every three years.

Stakeholder-inclusive approach

The Board is the ultimate custodian of its corporate reputation and stakeholder relationships. Remgro's relationship with all its stakeholders is based on the following values that are entrenched and supported by Remgro's Code of Ethics: integrity, competence, responsibility, accountability, fairness and transparency. Remgro has adopted a stakeholder policy, which sets out the approach and strategy of Remgro with respect to stakeholder engagements, ensuring that the approach considers corporate governance guidelines.

During the year under review, the Board reviewed the Group governance framework, which articulates and gives effect to its direction on relationships and the exercise of authority across the Remgro Group, in recognising group companies as being stakeholders of Remgro.

Remgro's main stakeholders are its shareholders and the investment community, its employees, its investee companies and the other shareholders of such investee companies, the community and environment in which it operates, its suppliers and service providers and the South African Government and regulatory bodies. The expectations of these stakeholders are considered in determining the areas reported on throughout the ESG and Sustainability Report.

Effective communication with shareholders and other stakeholders is fundamental in maintaining Remgro's reputation as an investment partner of choice. Remgro utilises a wide variety of communication methods to ensure that its communication with stakeholders is clear and understandable, as well as transparent, balanced and truthful, and sets out all relevant facts, whether positive or negative. Care is taken to ensure that engagement with stakeholders is, where appropriate, not just one-way communication but constructive, partnership-based engagement. This ensures that all legitimate stakeholder expectations are identified and addressed as far as possible.

Communication with investors is based on the principles of timely, balanced, clear and transparent information. In this regard the investment community has access to the same information as Remgro shareholders. Firm protocols are in place to control the nature, extent and frequency of communication with investors. Shareholders and the investment community are encouraged to attend Remgro's AGMs where topical matters are discussed openly. Further interactions with institutional investors take place at least twice a year at the dial-in interim and final results presentations, where questions can be directed to the CEO and CFO. Outside of these, the management team from time to time participates in our investor platforms where focused engagements are held in order to ensure alignment with our investor community and that the Remgro equity story is widely understood and reflected in prevailing capital markets valuations. Remgro aims to continually improve on our communications, messaging and disclosure as a catalyst to enable our shareholders to understand management's view on value. We believe transparent communication also better positions us to enlist wider institutional coverage and in turn provides increased visibility to international capital markets for greater investment. We, however, remain disciplined to balance our need to communicate with the investor community with the need to avoid information asymmetry and to ensure compliance with relevant disclosure requirements and regulations in terms of our Listings Requirements. To this end, our shareholders and the investment community at large are encouraged to contact our Remgro Investor Relations manager, Ms L Zingitwa, directly for any investor related queries. The Investor Relations contact details are available on the investor segment of the Company's website.

The Board is available to engage at the AGM of Remgro and to respond to shareholders' queries on how the Board executed its governance duties. The designated partner of the external audit firm also attends the AGM. The results of Remgro's AGM are publicly available on the Stock Exchange News Service (SENS).

Remgro, like other organisations, has many economic impacts on its stakeholders through, *inter alia*, the generation and distribution of value, the creation of employment opportunities, remunerating employees fairly and competitively, paying taxes and CSI initiatives. Remgro continuously manages these impacts and engages with stakeholders on matters relevant to them.

Remgro's primary objective is to maximise value creation and sustainable growth and, in this regard, particular care is taken to ensure that all shareholders, or classes of shareholders, are treated equitably. Special care is taken to protect minority shareholders from actions by or in the interest of the principal shareholders that may be to their detriment. In this regard Remgro has appointed a LID to act as chairman during meetings in situations when the Chairman has a conflict of interest.

The Board has not instituted a formal dispute resolution process in relation to shareholders, as it believes that the existing processes within the Remgro Group operate satisfactorily and do not require a more formal and separate mechanism. In addition, shareholders may use relevant remedies in terms of the Companies Act.

An overview of the key areas of focus during the reporting period and planned areas of future focus in relation to stakeholder inclusivity can be viewed in the Abridged ESG and Sustainability Report on page 68.

Conclusion

The Board is satisfied with the application by Remgro of the principles enshrined in King IV and has demonstrated its application of the 16 applicable King IV principles herein. Remgro is committed to ensuring that corporate governance is adhered to and that corporate governance processes are continuously reviewed to ensure that it remains effective and compliant.

DIRECTORATE AND MEMBERS of committees

Non-executive directors

J P Rupert (73)
Chairman

Appointed:
18 August 2000

J Malherbe (67)

Appointed:
11 October 2006

Directorships: Mr Rupert is the Chairman of Compagnie Financière Richemont SA and the Chairman of Reinet Investments Manager SA, the management company of Reinet Investments S.C.A. He studied economics and company law at Stellenbosch University and has had an extensive career in international business, banking and finance. After working for Chase Manhattan Bank and Lazard Frères in New York he founded Rand Merchant Bank Limited in 1979. In 1985 he joined the Rembrandt Group. He holds honorary doctorates in Law, Economics and Commerce. He served as Chancellor of Stellenbosch University from 2009 to 2019 and is Chairman of the Peace Parks Foundation. He is the Chairman of the Investment Committee and the Remuneration and Nomination Committee.

Directorships: Mr Malherbe is a director of Compagnie Financière Richemont SA, Pension Insurance Corporation Group Limited and Reinet Investments Manager SA. He qualified as a Chartered Accountant and worked with a predecessor firm of PricewaterhouseCoopers before joining Rand Merchant Bank Limited in 1985. He joined the Rembrandt Group in 1990 and is a member of the Investment Committee.

P J Neethling (38)

Appointed:
28 November 2019

A E Rupert (35)

Appointed:
29 November 2018

Directorships: Mr Neethling serves as an alternate director to Mr J J Durand on the Board of RCL Foods Limited. He was an Investment Executive in the corporate finance division of Remgro Management Services Limited, a wholly owned subsidiary of Remgro and has acquired extensive business experience through a number of other directorships. He holds a BComm (Hons) degree in Financial and Investment Management from Stellenbosch University. Mr Neethling is an alternate member to Mr J P Rupert on the Investment Committee.

Directorships: Mr Anton Rupert has served as non-executive director on the Board of Compagnie Financière Richemont SA since 2017 and is a member of their Strategic Security and Nominations Committee. He brings valuable insight into changing consumer behaviour in digital marketing and web-based commerce and has had extensive exposure to all of the Group's businesses since 2009.

Independent non-executive directors

S E N De Bruyn (51)

Lead Independent Director

Appointed:
16 March 2015

Directorships: Ms De Bruyn is co-founder of Identity Capital Partners Proprietary Limited, a women-led investment company. She has 21 years' experience as a director of companies having served on the boards of FirstRand Limited, Anglo American Platinum Limited, OUTsurance Group Limited and Discovery Limited. She is currently a non-executive director at RMB Holdings Limited. She was previously a Trustee of the National Empowerment Fund and a member of the Presidential Working Group on BEE. She is currently a member of the Presidential Investment Advisory Council. Ms De Bruyn has contributed to the debate on women's empowerment, BEE, transformation, privatisations and the economy through publications, articles and interviews. She is the Chairman of the Audit and Risk Committee and a member of the Social and Ethics Committee, the Remuneration and Nomination Committee and the Strategic ESG Committee.

F Robertson (68)

Deputy Chairman

Appointed:
28 March 2001

Directorships: Mr Robertson is Deputy Chairman of the Remgro Board and is a member of the Audit and Risk Committee, the Remuneration and Nomination Committee and the Investment Committee. He is Executive Chairman of Brimstone Investment Corporation Limited and is also Chairman of Sea Harvest Group Limited. Mr Robertson serves as non-executive director on the board of Aon Re Africa Proprietary Limited and serves as Trustees of the Laureus Sport for Good Foundation in South Africa and the District Six Museum. He is the recipient of an Honorary Doctorate in Philosophy from the University of the Western Cape.

T Leoka (44)

Appointed:
22 March 2023

Directorships: Dr Leoka is an Economist and founder of Naha Advisory, an economic consulting and advisory company. She is also affiliated with the Finance for Development Lab, a research institute based at the Paris School of Economics. She has worked for various organisations in the financial sector for over 22 years. She began her career as economist for the Investec Africa Fund and Emerging Markets team in London and South Africa. She worked as an Emerging Markets economist at Barclays Capital in London and Head of Research SA at Standard Bank and then moved to Renaissance Capital where she was the Chief Economist, South Africa. Dr Leoka moved to the sell-side where she was an executive director at Argon Asset Management. She was appointed to the Presidential Economic Advisory Council in 2019. She also serves on the Statistic South Africa Council where she chairs the Economic Committee.

Dr Leoka has a PhD in Economics and an MSc in Economics and Economic History from the London School of Economics and MA (Distinction) from the University of the Witwatersrand. She was named the Economist of The Year 2017 by The Association of Black Securities and Investment Professionals. She writes for various publications both in South Africa and internationally.

N P Mageza (68)

Appointed:
4 November 2009

Directorships: Mr Mageza was previously the Chief Operations Officer of the Absa Group. He is a Chartered Certified Accountant and a Fellow of The Association of Chartered Certified Accountants (ACCA) UK, as well as a director of a number of companies including RCL Foods Limited and Sappi Limited. He has gained extensive experience through holding various executive positions in the audit, financial services and the transport and logistics sectors. He is a member of the Audit and Risk Committee and the Social and Ethics Committee.

Independent non-executive directors (continued)

P J Moleketi (66)

Appointed:
4 November 2009

Directorships: Mr Moleketi is a former Deputy Minister of Finance of the Republic of South Africa and Gauteng Province MEC of Finance and Economic Affairs, as well as a director of several companies listed on the JSE Limited. He is the non-executive Chairman of PPC Limited. He holds postgraduate economics and management qualifications from the University of London and Harvard Business School and has extensive international exposure, extensive strategic leadership skills and in-depth corporate governance experience in both the public and private sectors. He is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

M Morobe (66)

Appointed:
18 June 2007

Directorships: Mr Morobe was the National Director of the Programme to Improve Learner Outcomes (PILO) until 2020, a position he assumed in 2013 after seven years as chief executive officer of then JSE-listed Kagiso Media Limited. He has a 51-year career spanning the worlds of student activism, trade unionism, work in the non-governmental sector, politics, the public sector, conservation and the corporate sector. Always seeking fresh challenges, Mr Morobe was in 1994 appointed as the first CEO and Chairman of the Financial and Fiscal Commission. Thereafter, from 2004 to 2006, he joined the Presidency as Head of Communications. He has also served in various board capacities, both in the non-governmental and private sectors, *inter alia*, the Council on Higher Education (1999 – 2000); Chairman South African National Parks Board (1999 – 2005); Chairman Ernst & Young (SA) (2001 – 2005); Chairman Johannesburg Housing Company (2003 – 2006). Currently, Mr Morobe is Chairman of Wispeco Holdings Proprietary Limited, he serves as a non-executive Director of RMB Holdings Limited, OUTsurance Group Limited, TotalEnergies Marketing South Africa Proprietary Limited and he is a Trustee on the boards of the DG Murray Trust and the Rothschild Foundation. He is Chairman of the Social and Ethics Committee and the Strategic ESG Committee.

G G Nieuwoudt (47)

Appointed:
28 November 2019

Directorships: Mr Nieuwoudt is the founder and managing partner of Southern Right Capital. He serves as a director of the Accumulus Fund, a Cayman-based exempted company. Previously, he served as the director of Alternative Investment Solutions at Edmond de Rothschild Capital Holdings, London and a managing partner and portfolio manager at Silver Creek Capital UK LLP. He is a CFA Charter Holder and holds a BComm Mathematics degree from the Stellenbosch University. He is a member of the Investment Committee.

K S Rantloane (42)

Appointed:
30 November 2020

Directorships: Mr Rantloane is the founder of Ata Capital and is currently a director of Rain Group Holdings Proprietary Limited, Southern African Venture Capital and Private Equity Association, SLG Proprietary Limited, Masana Petroleum Solutions Proprietary Limited, Imbewu Capital Partners Proprietary Limited and a trustee of the Click Foundation. Prior to this he was Head of Debt Capital Markets at Deutsche Bank AG, Johannesburg. He began his career with Rand Merchant Bank Limited and served as Executive Assistant to the CEOs of FirstRand Limited and FirstRand Bank Limited. He holds a BSc (Hons) degree from the University of Cape Town and a FRM designation from the Global Association of Risk Professionals. He is a member of the Investment Committee and the Strategic ESG Committee.

Executive directors

J J Durand (56)

Chief Executive Officer

BAcc (Hons), MPhil (Oxon), CA(SA)

Years of service with the Group: 27

Directorships: Mr Durand was appointed as Chief Executive Officer of Remgro in May 2012. He has served on the boards of various Remgro investee companies, and is currently Chairman of RCL Foods Limited and OUTsurance Group Limited. He also serves on the board of Heineken Beverages Holdings Limited, Namibia Breweries Limited and Mediclinic Group Limited. Previously, he served in the Group as Remgro's Chief Investment Officer, as well as the Financial Director and Chief Executive Officer of VenFin Limited. He is a member of the Investment Committee.

M Lubbe (53)

Compliance and Corporate Social Investments

BA

Years of service with the Group: 29

Directorships: Ms Lubbe was appointed as executive director of Remgro in September 2016 and is responsible for Compliance and Corporate Social Investments of the Company. She acts as Board member of Remgro Limited's wholly owned subsidiaries and she is currently Chairman of Historical Homes of SA Limited. She serves as a non-executive director on the boards of Business Partners Limited, Capevin Holdings Proprietary Limited and Wispeco Holdings Proprietary Limited. She is a member of the Remgro Strategic ESG Committee.

N J Williams (58)

Chief Financial Officer

BComm (Hons), CA(SA)

Years of service with the Group: 29

Directorships: Mr Williams was appointed as Chief Financial Officer of Remgro in April 2016 and has served on the boards of various Remgro investee companies. He currently serves as a director of Air Products South Africa Proprietary Limited, Business Partners Limited, eMedia Investments Proprietary Limited and TotalEnergies Marketing South Africa Proprietary Limited. He previously served in the Group as Remgro's Head of Corporate Finance and also as the Chief Financial Officer of VenFin Limited. He is a member of the Investment Committee.

Remgro's purpose, **"to shape the future and partner for South Africa's prosperity"** remains the driver to being the values-led business that it is.

Members of committees

Audit and Risk Committee
S E N De Bruyn (Chairman), N P Mageza, P J Moleketi, F Robertson

Remuneration and Nomination Committee
J P Rupert (Chairman), S E N De Bruyn, P J Moleketi, F Robertson

Investment Committee
J P Rupert (Chairman), J J Durand, J Malherbe, P J Neethling (alternate to J P Rupert), G G Nieuwoudt, K S Rantloane, F Robertson, N J Williams

Social and Ethics Committee
M Morobe (Chairman), S E N De Bruyn, P R Louw, N P Mageza, P J Uys

Management Board
J J Durand (Chairman), P R Louw, M Lubbe, P J Uys, N J Williams

Strategic ESG Committee
M Morobe (Chairman), S E N De Bruyn, M Lubbe, K S Rantloane, P J Uys

EXECUTIVE MANAGEMENT structure

How Remgro is managed

The Remgro Limited Board of Directors ultimately leads and controls the Group in all issues of a material or strategic nature, which can impact the reputation and performance of the Group. The Management Board is a subcommittee of the Remgro Board that is mainly responsible for determining policies, monitoring and managing existing investments, identifying and recommending new investment opportunities and executing the decisions and strategy of the Board. Other issues, as mandated by the Board, are dealt with at senior management level as permitted in terms of a formal delegation of authority that directs limits of delegation and approval mandates.

The Management Board, together with senior management, also aims to instil a culture of ethical behaviour and good governance throughout the Remgro Group. As at 30 June 2023 the Management Board comprised five members, being all three executive directors as well as Messrs Pieter Louw and Pieter Uys.

The schematic presentation presented in Figure 1 provides more detail on the day-to-day responsibilities and delegated authorities of the individual members of the Management Board.

Committee structure

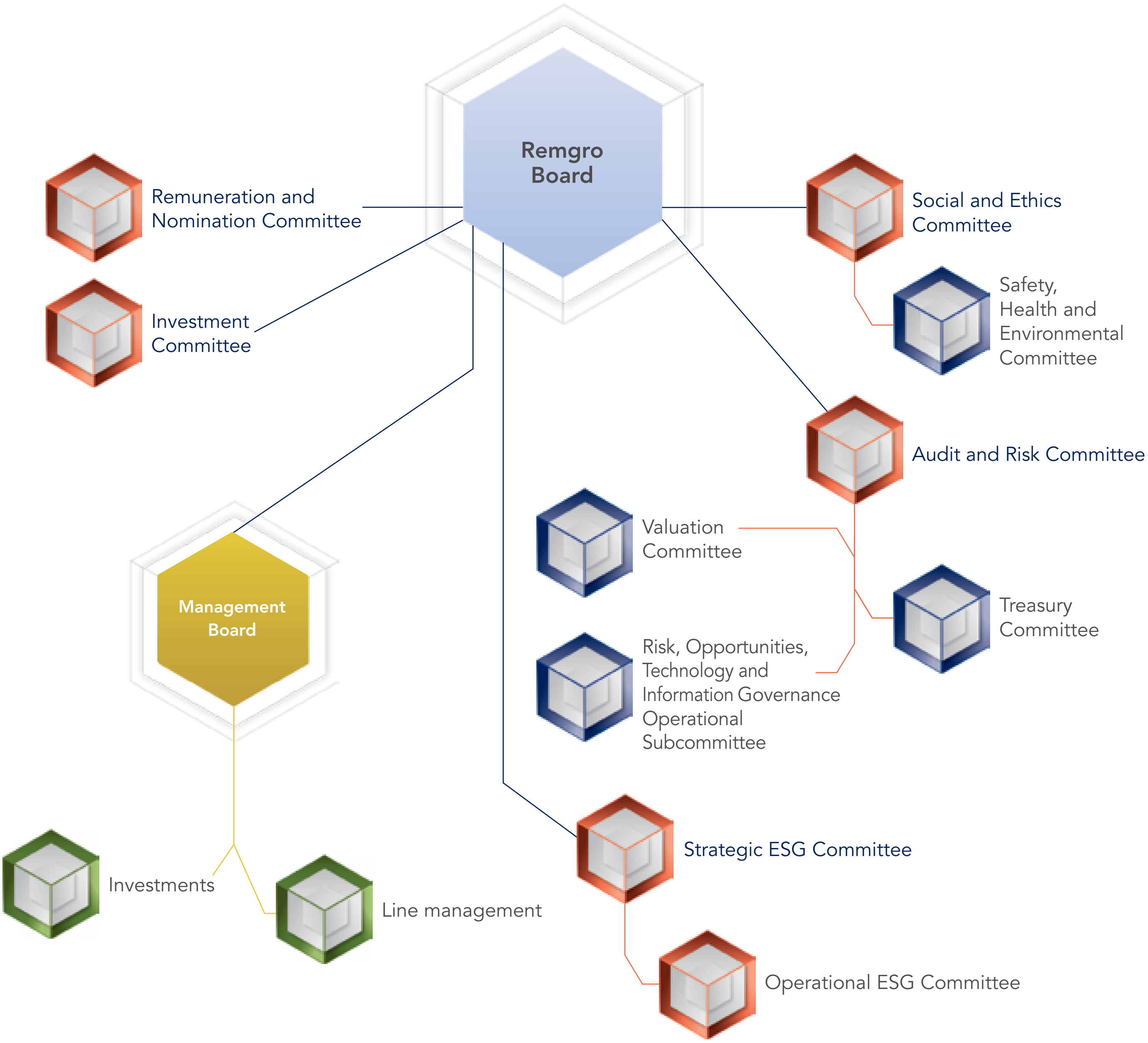
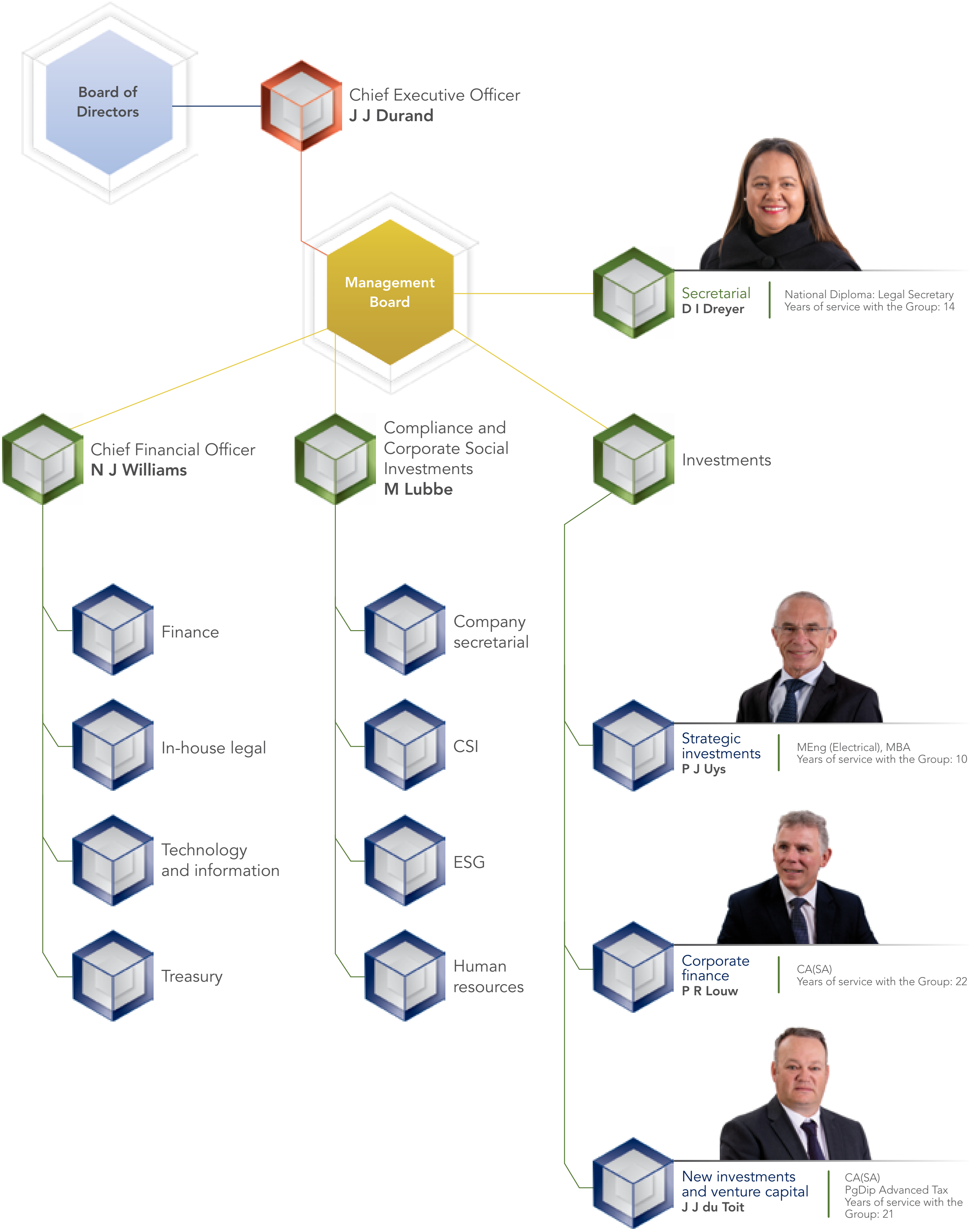


Figure 1


Board of Directors
Chief Executive Officer
J J Durand
Management Board
Secretarial
D I Dreyer
National Diploma: Legal Secretary
Years of service with the Group: 14
Chief Financial Officer
N J Williams
Compliance and Corporate Social Investments
M Lubbe
Investments
Finance
In-house legal
Technology and information
Treasury
Company secretarial
CSI
ESG
Human resources
Strategic investments
P J Uys
MEng (Electrical), MBA
Years of service with the Group: 10
Corporate finance
P R Louw
CA(SA)
Years of service with the Group: 22
New investments and venture capital
J J du Toit
CA(SA)
PgDip Advanced Tax
Years of service with the Group: 21

REMUNERATION Report

This report sets out our Remuneration Policy and Remuneration Implementation Report for executive directors and non-executive directors' remuneration for the 2023 financial year and is presented in three parts:

i) Part 1: The background statement which provides context to our Remuneration Policy and performance;
ii) Part 2: An overview of the forward-looking Remuneration Policy applicable in the 2024 financial year; and
iii) Part 3: The Remuneration Implementation Report which sets out in detail how the existing policy was implemented during the year under review, including disclosure on payments made to executive directors and non-executive directors during the year ended 30 June 2023.

Part 1: Background statement

Remgro's remuneration philosophy is guided by its sustainability-focused business strategy, including ESG as a key component, the outcome of which is geared to deliver sustainable value and accretive returns for shareholders over the long term whilst simultaneously driving a positive ESG impact that unlocks shared value for all stakeholders.

Due to the nature of the business, the remuneration framework, on an organisation-wide basis, provides for fixed remuneration (i.e. salary and benefits) and a long-term share plan, which only renders value if the performance criteria linked to sustainable value and the employment condition are met. As an investment holding company, the Remuneration and Nomination Committee (the committee) views increased market capitalisation, sustainable growth in the share price and above-average dividend yield (collectively referred to as shareholder total return) as critical metrics to deliver sustainable value to shareholders over the long term. In line with this approach, Remgro does not pay short-term incentives (i.e. cash bonuses) and believes that management's decision-making should be long-term focused. It is aligned with the philosophy that they should be rewarded where value creation is demonstrated, without excessive risk taking in the short term. This two-tier approach makes the Remgro Remuneration Policy focused and avoids unnecessary layers of complexity. Our remuneration philosophy and policy are further detailed in Part 2 of this report.

Overview of performance and remuneration outcomes for the year under review

The current challenging environment that businesses are required to operate in, is widely recognised and covered regularly in the media. Remgro and its investee companies, like all other South African businesses, are expected to successfully and sustainably operate under tough and challenging conditions such as ongoing load shedding, high inflation, high interest rates, sharp increases in electricity prices, foreign exchange volatility, ongoing geopolitical tensions, weak business confidence and unacceptable levels of crime and corruption. This becomes especially relevant as it relates to the impact on consumers and the risk of increased social instability as poverty levels rise. With low levels of expected economic growth, failing state infrastructure relating to energy, transport and logistics in particular, and the slow pace of economic reforms to date, the urgency with which these issues need to be addressed cannot be overstated.

Despite this very challenging business environment, the committee is very pleased with the Group's performance in managing to maintain the positive earnings momentum despite all the headwinds. The committee is also pleased with the completion of both the Mediclinic Group Limited (Mediclinic) and Distell Group Holdings Limited (Distell)/Heineken International B.V. (Heineken) corporate transactions that were implemented during the year. Both of these transformative transactions have been in the making for many years, and it is satisfying to finally acknowledge their completion.

The finalisation of these transactions marks another inflection point in Remgro's rich history – prior to implementation, approximately 70% of Remgro's portfolio could be accessed directly via relevant issuers on various stock exchanges. The ratio between the value of the unlisted and listed portion of our portfolio has completely switched, with the value of the unlisted portion of Remgro's portfolio now sitting at approximately 70%, materially increasing Remgro's scarcity factor and positioning it for further growth.

During the year under review, the company made good progress in delivering our other strategic priorities. These priorities remain unchanged and focus on growing our triple bottom line sustainably by unlocking value for our shareholders, efficient capital allocation and continued focus on our sustainability drive.

Management remains committed towards unlocking further value through intensified focus on its core turnaround and growth assets and disposal of non-core assets, combined with a renewed focus on new growth opportunities. The Company also continue its sustainability drive to position Remgro as an ESG industry leader through continuous improvement in disclosure and shareholder engagement.

Total guaranteed package (TGP)

In line with Remgro's philosophy on fair and responsible remuneration, the following decision was taken with regards to increases:

- Executive directors, members of the Management Board and Executives were granted increases of circa 5.80% for the 2023 financial year.
- Employees at management levels received increases of around 6.00% and non-management employees received salary adjustments of on average between 6.25% and 6.5% for the 2023 financial year.

Long-term incentive (LTI) plans

The vesting outcomes for the 2020 LTI awards, for which the performance period ended on 30 June 2023, were 73%. The better than target outcome, should be considered against the background of our analysis of shareholder value creation through the growth in Remgro's share price over the vesting period. The Remgro share price has grown by 50% over this period (from R98/share to R147/share) which approximates a 14.25% annualised return. When adding the Remgro dividend payments (which ranges between 1.25% to 1.5% per annum over the vesting period) to the growth in share price, this provides for an annualised total shareholder return in excess of 15.5%. The committee is therefore comfortable that the vesting outcome is aligned to shareholder value creation.

Details on the vesting of these awards are set out in Part 3 of this report.

Embedding Environmental, Social and Governance (ESG) measures within reward

Remgro aims to be the trusted investment company of choice that consistently creates sustainable stakeholder value to deliver not only financial returns for shareholders, but to make a positive ESG impact that delivers shared value to all our stakeholders. While workplace, economic, social and environmental sustainability practices have always been part of Remgro's core values and are entrenched within Remgro's overall governance framework, Remgro aims to become an ESG leader within the South African context.

Since 2021, the Group has placed increased emphasis on ESG practices, recognising that the best way to advance our sustainability agenda is by partnering with our investee companies across their value chains to implement ESG principles and the creation of consistent standards that collectively deliver greater and more measurable impact over the long term for all our stakeholders. Within the Remgro holding company, appropriate Strategic and Operational ESG Committees and work groups were established to ensure that Remgro remains engaged with and furthers its values-driven ethos.

Remgro's approach to ESG and sustainability is anchored in its investment stewardship role. Remgro's responsible investment principles are at the heart of our decision-making to ensure adherence to robust principles and criteria to deliver sustainable financial returns, alongside the creation of positive, measurable ESG impact. This includes purposefully integrating impact throughout the investment lifecycle where sustainable value can be generated over the long term to improve ESG performance.

Remgro is committed to helping those companies it invests in shape their approach to ESG to ensure our investments reflect our ambition to create environmental, social and economic change throughout our ecosystem. Governance and climate risk mitigation practices have been embedded into Remgro's value chain activities across the Group and its investee companies' ecosystem to drive progress.

Journey to date

The first Remgro LTI awards with the ESG measures were awarded in 2020 (being the 2019 and 2020 LTI awards). To further incentivise and motivate management in driving this journey, qualitative ESG measures were incorporated into the Remgro LTI awards in 2021 and 2022, which measures detailed strategic milestones to be achieved by specified dates. By incorporating specific ESG measures into the LTI, Remgro is illustrating its public commitment to ESG. An overview of the specified areas of focus, covered by the 2019 to 2022 LTI awards, are outlined below:

Area 1 – Building Remgro's ESG foundation/platform:

Referencing the 2019 and 2020 LTI awards, ESG milestones were primarily linked to Remgro's ESG journey as an investment holding company which requires the successful delivery of:

- Remgro's ESG terms of reference and policies;
- Remgro's ESG strategy and approach;
- Remgro's ESG Investment Framework

For Remgro to achieve a stretch ESG performance outcome on its 2019 and 2020 LTI awards a secondary focus was placed that, in addition to Remgro building an ESG foundation/platform (linked to the milestones outlined above), Remgro should strive to accelerate the execution of an ESG impact within key subsidiary portfolio companies through Remgro's strategic influence in guiding these companies to embed an ESG focus within their own remuneration policies.

Area 2 – Providing strategic guidance to deliver an ESG portfolio impact:

Referencing the 2021 and 2022 LTI awards, the ESG milestones evolved and were primarily linked to Remgro delivering a portfolio impact on the following earmarked investee companies (who collectively represent circa 80% of Remgro's INAV):

Heineken Beverages	Mediclinic	RCL Foods
Maziv Group	Air Products	OUTsurance Group
TotalEnergies	Wispeco	Siqalo Foods

The anticipated portfolio impact was linked to Remgro successfully delivering strategic influence on the following:

- Development and implementation of ESG-focused investee company board subcommittee including the associated terms of reference.
- Development of a specific investee company formalised ESG strategy and updated remuneration policies embedding ESG principles.
- Assistance with the appointment of ESG providers who can assist investee companies in determining their ESG footprints after which critical environmental measures, such as carbon emissions, across the identified investee companies, can be determined as a baseline measure which can inform aspirational environmental goal(s).

Taking the above criteria into consideration, Remgro's ESG success rate for the 2021 and 2022 LTI awards were expressed as a governance/influence factor measured with reference to how many earmarked investment companies they successfully strategically influenced referencing the above specified criteria.

- Remgro initiated an Investment Managers' Conference and implemented a series of Investment Managers' Workshops to engage on ESG. A key component of this is the introduction of a Standard Operating Procedure for our investment managers to integrate ESG into their investment decisions.

It is the committee's view that the specific qualitative targets were suitably challenging, aligned with the Company's strategy and laid a solid foundation upon which the Company can deliver on its ESG ambition.

More details are provided in Parts 2 and 3 of this report.

Voting results and shareholder engagement

At the Annual General Meeting (AGM) held on 30 November 2022, 64.91% of Remgro's ordinary shareholders voted in favour of the Remuneration Policy, with 70.35% of ordinary shareholders voting in favour of the Remuneration Implementation Report. In light of the fact that more than 25% of ordinary shareholders voted against the Remuneration Policy and the Remuneration Implementation Report, and in compliance with King IV and the JSE Listings Requirements, dissenting shareholders were invited to engage with the Company. Shareholders were provided further focused engagement opportunities through virtual engagement sessions during our shareholder engagement roadshows.

The specific areas of concern, together with actions taken as a result of the issues raised, are listed in more detail below.

Shareholder concern	Action taken/Remgro's response
Remuneration Policy Timeline as to when the quantifiable ESG metrics will be introduced	The intention of the committee and management was to introduce quantifiable ESG metrics as soon as practically possible. For this purpose, the target and stretch measures for 2021, 2022 and beyond were not disclosed in the 2021 Remuneration Report. As a holding company Remgro is not fully aware of the ESG maturity levels at different investee companies and the baseline measures for key ESG measures at these companies. In 2022, Remgro commissioned a baseline ESG footprint report. This entailed obtaining certain qualitative and quantitative information from selected investee companies. During this process, Remgro assessed the latest leading best practice related to stewardship and has incorporated some of those principles into the baseline questionnaires and to inform target setting discussions. In 2023, the exercise was repeated to ascertain progress year on year. Feedback demonstrated good progress regarding the amount of ESG information that the investee companies are measuring and tracking. Remgro and its investee companies have implemented numerous ESG processes since the ESG baseline footprint report was first issued in June 2022 and improvements were noted in many areas.
Should the long-serving non-executive directors still be regarded as independent	The committee believes on a substance over form basis that long-serving non-executive directors can still be regarded as independent. The independence of non-executive directors is reviewed annually and those independence of non-executive directors, who have served on the Board for more than nine years, is subject to a rigorous review by the Board. Furthermore, the Board, led by the Lead Independent Director, considered the independence of the independent non-executive directors, and is satisfied with the overall independence of the Board In addition, the committee's view is that the overriding concern should not be one of enforcing alignment or seeking independence at all costs but should be whether the governing body is knowledgeable, skilled, experienced, diverse and independent enough to discharge its roles and responsibilities fully. The committee mandated a working group consisting of two of the committee non-executive directors (NEDs) and two executive directors to develop a roadmap to refresh the Board. The principles this roadmap will be developed on, remain: suitable skills, competencies, diversity and independence. The first formal feedback to the committee will be on 4 December 2023.

Shareholder concern	Action taken/Remgro's response
The LTI financial performance conditions does not incorporate a sufficient element of "stretch" performance	As a consequence of Remgro's investment strategy, which focuses on the delivery of sustainable long-term shareholder value growth and the payment of stable dividends, Remgro designed and implemented a LTI policy which closely mimics its investment strategy. Historical INAV and free cash flow LTI performance targets were set based on the principle that incentive targets should be stretching yet realistic, given business and economic realities. Furthermore, with the aim of simplicity, a uniform set of performance targets have historically been used for both the Conditional Share Plan (CSP) awards and the Share Appreciation Right (SAR) awards, although the risk-return profile of the SAR awards only entitles the participants to unlock value associated with the growth in share price – representing a further embedded share price growth performance condition. The calibration of the historical INAV performance target references a 3-5 year longbond rate which is aligned with vesting period of the CSP and SAR awards. Stretch performance required and additional spread of 5% which approximates a standard deviation of the JSE all share and Top 40 indices (representing two alternative balanced portfolios) over a historical 15-year period. After careful deliberation and following extensive engagement with shareholders the committee agreed that the LTI financial performance conditions for the 2024 financial year (FY2024) Remuneration Policy (refer to Part 2 on page 100) should be amended with the following enhancements being proposed for awards made in FY2024 and beyond: • INAV growth will be replaced with a Total Return performance measure, with Total Return being quantified as INAV growth plus Dividend yield. This proposed amendment provides shareholders with an enhanced measure of the total value that has been delivered for shareholders over a LTI performance period. • The LTI performance measures for the SAR and CSP award will be identical, however the performance targets of the financial performance measures will be appropriately calibrated to mimic the risk-return profile of the underlying instruments. This will result in the CSP awards having more stretching financial performance targets than the SAR awards. In addition, to further drive performance the committee has also elected to split new LTI awards in a ratio of 75% CSPs and 25% SARs, relative to the historical split of 50% CSPs and 50% SARs.
The LTI performance conditions does not place a large enough emphasis on the closing of the share price to net asset value (P/NAV) discount.	The committee is of the view that the historical LTI performance conditions (consisting of ESG, INAV growth and free cash flow growth) collectively drives sustainable value creation for shareholders and wider stakeholders, which endorses the right behaviours that should positively contribute to narrowing the P/NAV discount. In addition, taking cognisance of the above proposed LTI enhancements, coupled with strategic initiatives, the committee remains confident that the LTI performance conditions will collectively continue to drive the right behaviours going forward. To further drive alignment with shareholders the committee has also introduced a minimum shareholding requirement (MSR) for the CEO and CFO – set at 375% of TGP for the CEO and 200% of TGP for the CFO. The CEO and CFO will be granted a 5-year period to achieve the MSR. The committee is of the view that MSR should also positively contribute in an attempt to narrow the P/NAV discount.

Remuneration is key in incentivising employees across all levels to work towards driving the execution of Remgro's strategic objectives and to build a sustainable business over the long term. The committee remains committed to ongoing engagement with shareholders and welcomes any constructive feedback they may wish to provide to ensure that the Company's approach to remuneration supports fair and responsible remuneration.

At the 2023 AGM Remgro will put its Remuneration Policy and Remuneration Implementation Report to two separate non-binding advisory shareholder votes (see Ordinary Resolutions Numbers 14 and 15 in the Notice to shareholders on page 172) and the committee looks forward to a positive outcome in this regard.

Remuneration and Nomination Committee activities during 2023

The committee's activities for 2023 were geared towards monitoring the achievement of Remgro's strategic objectives. In addition to the committee's normal duties, the committee:

- Reviewed and enhanced the performance criteria (financial, ESG as well as key strategic measures) linked to the LTIs as well as the individual key performance initiatives (KPIs) of the executive team. The revised individual KPIs were aligned with Remgro's strategic objectives and ESG measures.
- Introduced a MSR policy with the aim to further align executives with shareholders.
- Performed a non-executive director fee benchmark referencing 12 companies, who are in closest proximity to Remgro from a market capital perspective, within the JSE Top 40.

Future areas of focus

During the 2024 financial year the committee will focus on the following forward-looking considerations:

- To continue the journey to align the remuneration strategy with Remgro's key strategic focus areas (including ESG) with a focus on the incorporation of quantitative ESG performance measures within the LTI plan design.
- In line with our philosophy of remunerating fairly and responsibly, continue to identify and address any discrepancies.
- To consider opportunities and methodology to share information regarding fair and equitable remuneration with shareholders.
- To develop a minimum shareholding requirement (MSR) framework to introduce at investee companies.
- To conclude the review of the current Board composition against the principles of inclusivity and diversity, skills and experience and suitable independency.
- To continue to ensure that our internal human resources and remuneration policies support transformation across the business.

Advisors

During the 2023 financial year, the committee has engaged two external remuneration consultants namely PricewaterhouseCoopers Inc. (PwC) and REMchannel, to assist management and the Board in performing their duties and responsibilities.

The committee considered the advice, opinions and services received by PwC and REMchannel during the 2023 financial year. The committee is satisfied and regards the consultants as being wholly objective and independent.

In conclusion

The committee is of the view that during the 2023 financial year, Remgro's Remuneration Policy achieved its stated objectives. Remgro constantly strives to improve the Company's remuneration practices and we look forward to our engagement with our shareholders and receiving their support on the resolutions for both the Remuneration Policy and Remuneration Implementation Report (see Ordinary Resolutions Numbers 14 and 15 in the Notice to shareholders on page 172) at the AGM on 4 December 2023.

Part 2: Remuneration Policy

The Remuneration Policy provides an overview of Remgro's remuneration principles for the organisation as a whole and applies to all permanent employees. The information provided in this policy has been approved by the Board on recommendation by the committee. This Remuneration Policy will be put to a non-binding advisory vote by shareholders at the next AGM on 4 December 2023.

Governance

The committee is appointed by the Board with delegated powers and the functioning of this dedicated Board committee is well established within Remgro's mode of operation. In essence it is the committee's role to ensure fair and responsible remuneration across the Company, by way of policy making and implementation, and that the disclosure of remuneration is accurate, complete and transparent. Ultimate responsibility remains with the Board.

The committee is governed by a mandate, reviewed and approved by the Board annually, that incorporates best practice governance recommendations and serves to assist members of this committee in the execution of their role and responsibilities.

The committee consists of four non-executive directors, three of whom are independent. The members of the committee for the year under review were:

- Mr J P Rupert (chairman);
- Ms S E N De Bruyn (lead independent non-executive director);
- Mr P J Moleketi (independent non-executive director); and
- Mr F Robertson (independent non-executive director).

The Board acknowledges the recommended practice in King IV that the Chairman of the Board should not be the chairman of this committee but given the following reasons, this arrangement is deemed appropriate:

- The necessity to align the Company's remuneration approach with corporate strategy;
- The Chairman receives no emoluments or fees from Remgro thus there are no conflicts with regard to the approval of non-executive director fees;
- The Chairman is a significant shareholder in the business hence it is not regarded as unreasonable for him to chair this committee; and
- In terms of committee composition, the majority of the committee remains independent non-executive directors.

The committee formally met twice during the year and had numerous informal interactions in preparation for the formal meetings, engagements with shareholders and pre-meetings. The details on the attendance of the formal meetings are set out in the Corporate Governance Report on page 82.

The mandate, set out in the terms of reference of the committee, includes the following:

In respect of its nomination function –

- Assist the Board with the process of identifying suitable candidates for appointment as directors;
- Ensure the establishment of a formal and transparent process for the appointment of directors;
- Oversee the development of a formal induction programme for new directors;
- Evaluate the performance of the Board; and
- Ensure that succession plans for the Board, Chief Executive Officer (CEO) and other Management Board members are developed and implemented.

In respect of its remuneration function –

- Oversee the establishment of an organisation-wide Remuneration Policy that promotes positive outcomes across the economic, social and environmental context in which Remgro operates;
- Promote an ethical culture and responsible corporate citizenship in the context of remuneration;
- Oversee the fair, responsible and transparent setting and administering of remuneration of all employees;
- Advise on the fees of non-executive directors, for approval by shareholders at the AGM;
- Ensure that remuneration meets Remgro's needs and strategic objectives and is administered in accordance with the shareholder-approved plan rules;
- Oversee the preparation and recommendation to the Board of the Remuneration Report to be included in the Integrated Annual Report; and
- Ensure that the Remuneration Policy and Remuneration Implementation Report are put to two separate non-binding advisory votes by shareholders at the AGM.

Linking ESG to remuneration

Existing practices

Workplace, economic, social and environmental sustainability practices have always been part of Remgro's core values and through our new ESG strategy, these practices are entrenched within our overall remuneration framework.

Link to ESG	Link to reward
Environmental	Inclusion of ESG measures within the LTI plans Individual KPIs include specific ESG measures
Social	TGP of non-management employees is competitive and is positioned around the 75th percentile of the market All employees participate in the LTI plan Lower-level employees typically receive higher percentage increases
Governance	Balancing employee interests with that of shareholders by rewarding for the delivery of growth in INAV Alignment of executive remuneration and shareholder value creation through the adoption of minimum shareholding requirements (MSR) Aligning to international best practice by incorporating malus and clawback provisions into variable pay Clear and transparent remuneration reporting Development of an ESG governance framework

Remgro's ESG journey

As noted in Part 1 of this report, Remgro's aim is to become an ESG leader and is focused on maximising its impact as an investment holding company by establishing and rolling out an ESG strategy and governance framework throughout the Group of identified investee companies. Remgro commenced its ESG journey in 2020.

In order to drive the execution of this goal and to ensure that it is sufficiently prioritised, ESG measures were introduced into the LTIs in 2021 and 2022 as a non-financial component with a weighting of 20%. The ESG measures for the 2019 and 2020 awards were qualitative measures focused on governance and risk as well as strategic investment decisions and portfolio impact and which detailed milestones to be achieved by specified dates in order to lay the foundation for the establishment and implementation of an ESG strategy throughout the Group.

Building on the foundation laid through delivery on the qualitative milestones, Remgro has introduced quantitative ESG measures, taking the form of a governance influence factor (as referenced in Part 1), into the 2021 and 2022 LTIs which measures are aimed at establishing the appropriate ESG governance structures within key investee companies.

Fair and responsible remuneration across the Company

The delivery of Remgro's strategy is dependent on the values, talent and skills of all employees across the Company and Remgro therefore views employees as critical assets. Remgro committed to the principle of rewarding all employees across the Company in a manner which is fair and responsible and strives to create an environment which is inclusive. This commitment is entrenched in the Remuneration Policy.

The TGP of all employees is positioned around the 75th percentile of the market which takes into account that the Company does not have short-term incentives (STI) in place. For executive directors, prescribed officers and senior managers, the company targets the median of the reference group on a Total Reward (TR) comparison. All employees are furthermore eligible to receive LTI awards and not only executives. Lower-level employees typically receive higher percentage increases than other employees.

Further ongoing actions taken in this regard include:

- Assessment of remuneration conditions between employees at the same level in accordance with the principle of "equal pay for work of equal value" to identify and address any unjustifiable remuneration disparities.
- Investing in its people initiatives, which include: talent management; development opportunities for all employees; various training courses as per identified needs and an employee value proposition aligned to the corporate values and culture.
- Fair and responsible remuneration practices remain a key focus area for the committee in the 2024 financial year.

Components of remuneration

Remgro has two components of remuneration, namely fixed remuneration (which includes benefits) and LTIs in the form of its old Remgro Equity Settled Share Appreciation Right Scheme (SAR Scheme), current Remgro Equity Settled Share Appreciation Rights Plan (SAR Plan) and Remgro Equity Settled Conditional Share Plan (CSP). Remgro does not pay short-term incentives and believes that management's decision-making should be long-term focused and aligned with the philosophy that they should be rewarded where long-term value creation is demonstrated, without excessive risk taking in the short term.

The same remuneration principles and components apply to all employees of Remgro. The remuneration policies, principles and practices of investee companies are governed through remuneration committee structures in these organisations.

The details of the components are outlined on the next page.

Fixed remuneration

Purpose

To provide competitive fixed remuneration that will attract and retain appropriate talent. Reflects an individual's responsibilities, experience and role.

What does this contain?

Referred to as TGP (Total Guaranteed Pay), includes components such as cash salary, travel allowance and the Company's contributions towards retirement funding and the medical scheme. All guaranteed benefits are funded from the TGP.

Retirement funding contributions range between 12.5% and 27.5% of pensionable emolument and the key features of the retirement fund are as follows:

- Retirement savings component with member investment options and a trustee default option;
- Insured flexible death, disability and funeral benefits; and
- Preservation options when exiting the fund.

Membership to a medical scheme is compulsory for all employees and contributions are funded from their TGP. All employees are eligible for membership of the in-house medical scheme, Remedi, and the scheme provides three different options for members to choose from annually. These options aim to accommodate the different healthcare needs and affordability of the diverse membership of the scheme.

Under specific circumstances Remgro also offers employees post-employment medical benefits. All details in this regard are disclosed in the Annual Financial Statements that is published on the Company's website at www.remgro.com.

Only employees who are required to regularly travel for business purposes receive travel allowances, which is funded from their TGP.

How is the TGP benchmarked?

Guaranteed packages for all employees are benchmarked against the upper quartile of the market for comparable companies utilising independent salary surveys.

Remgro currently makes use of the REMchannel national survey for purposes of benchmarking employees. For Management Board members and senior executives, the more focused JSE Top 40 circle provided by REMchannel is used to benchmark TGP.

The TGP is positioned competitively to the market to ensure that the right talent is attracted and retained. It further supports the remuneration approach of no short-term cash bonuses and discourages excessive risk taking which may be driven by leveraged cash bonuses.

Annual review process

The committee conducts an annual review of the TGP for executives and approves the increase percentage for employees below executive level. As part of this review the committee considers the actual TGP, the LTI opportunity as well as the Total Reward outcome for all employees (including Management Board members and senior executives) against the median market benchmarked data.

Adjustments to the TGP depends upon the employee's level of responsibility and his/her overall performance.

The CEO, who attends all committee meetings by invitation, may propose increases to the TGP, excluding his own, during such review meetings.

Variable remuneration

Share Appreciation Rights Plan	Conditional Share Plan

Purpose

Ensures alignment between personal wealth creation and corporate strategy and supports long-term employee retention.

How does it work?

Share Appreciation Rights Plan	Conditional Share Plan
This is an equity settled plan whereby selected employees are awarded rights to receive shares equal to the long-term growth in the Remgro share price and market capitalisation of the Company. These rights are awarded free of charge. The ultimate vesting of shares will be subject to prospective performance conditions for selected participants as well as an employment condition. The participants will only become shareholders in Remgro with shareholder rights, including dividend and voting rights, on the settlement date.	This is an equity settled plan under which all employees may be granted an award consisting of the conditional right to receive Remgro shares at a future point in time. These conditional shares are awarded free of charge. The ultimate vesting of shares will be subject to prospective performance conditions for selected participants as well as an employment condition. The participants will only become shareholders in Remgro with shareholder rights, including dividend and voting rights, on the settlement date, which will be shortly after the vesting date.

Who qualifies to participate?

Share Appreciation Rights Plan	Conditional Share Plan
The SAR Plan is currently used to incentivise executive directors and employees at senior executive level only.	All permanent employees of the Company may participate in the CSP.

Determination of value/allocation

The committee makes annual awards in terms of the SAR Plan and the CSP to participants, based on a multiple of TGP. The set annual multiples are determined by reference to a participant's job grade, role, the need to attract and/or retain key talent and the value added by the participant for Remgro and shareholders. The face value award multiples are as follows:

CEO	3.00 x TGP
Executive directors and prescribed officers	2.50 x TGP
Other employees	10% – 120% of TGP (different multiples based on the participant's job grade, role and performance conditions (if applicable))

For the CEO, executive directors, other members of the Management Board (prescribed officers) and identified investment executives these multiples are split in the ratio of 25% for the SAR Plan awards and 75% for the CSP awards. These awards are subject to stretching financial Company performance conditions, ESG and strategic measures as well as individual performance conditions which focus on governance and risk including strategic investment decisions and portfolio impact.

For all other participants, 100% of the award is under the CSP. The vesting of these awards is subject to continued employment only.

These multiples are within current market parameters.

In addition, the rules of the CSP allow for *ad hoc* awards to be made to participants in exceptional circumstances as determined by the committee.

Refer to the Remuneration Implementation Report on page 112 for previous SARs and CSPs awarded.

Dividend equivalents

Share Appreciation Rights Plan	Conditional Share Plan
Not applicable.	Participants will be eligible to receive dividend equivalents on vested shares at the end of the vesting period of the award. The dividend equivalent will be rolled up over the vesting period and delivered as additional shares on the vesting date.

Variable remuneration (continued)

Vesting and exercise/settlement

Share Appreciation Rights Plan	Conditional Share Plan
Participants in the SAR Plan are remunerated with Remgro shares to the value of the appreciation of their rights to a specific number of Remgro ordinary shares. The earliest intervals at which the SARs vest and are exercisable are as follows: • One third after the third anniversary of the grant date; • An additional third after the fourth anniversary of the grant date; and • The remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse. Vesting is conditional on fulfilment of the employment period and achievement of performance conditions (where applicable).	Awards under the CSP will vest as follows: • One third after the third anniversary of the grant date; • An additional third after the fourth anniversary of the grant date; and • The remainder after the fifth anniversary of the grant date. Vesting is conditional on fulfilment of the employment period and achievement of performance conditions (where applicable).

Performance conditions

The SAR Plan has an embedded performance hurdle whereby participants will only benefit if there is long-term share price appreciation and thus value creation for Remgro shareholders.

2023 Award
Following extensive engagement with shareholders the committee agreed that for the 2023 SAR and CSP awards, which is expected to be made in December 2023, the LTI performance criteria should be enhanced to include the following amendments:

- INAV growth will be replaced with a Total Return performance measure, with Total Return being quantified as INAV growth plus Dividends paid. This proposed amendment provides shareholders with an enhanced measure of the total value that has been delivered for shareholders over a LTI performance period.
- The LTI performance measures for the SAR and CSP award will be identical, however the performance targets of the financial performance measures will be appropriately calibrated to mimic the risk return profile of the underlying instruments. This will result in the CSP awards having more stretching financial performance targets then the SAR awards.

In addition, to further drive performance the committee has also elected to split the December 2023 LTI awards in a ratio of 75% CSPs and 25% SARs, relative to the historical split of 50% CSPs and 50% SARs.

An overview of the anticipated financial and non-financial performance measures for the December 2023 SAR and CSP awards are set out below:

Financial scorecard – representing lagging indicators

Performance measure	Weight	Threshold (vesting 30%)[1]	On-target (vesting 50%)[1]	Stretch (vesting 100%)[1]
CSP → Total Return (INAV growth + Dividend yield)	50%	Year one Total Return plus the 3 – 5 year SA Long bond rate over three financial years	Year one Total Return plus the 3 – 5 year SA Long bond rate plus [2% to 4%][2] over three financial years	Year one Total Return plus the 3 – 5 year SA Long bond rate plus [6% to 8%][2] over three financial years
SAR → Total Return (INAV growth + Dividend yield)		Year one Total Return plus CPI over three financial years	Year one Total Return plus the 3 – 5 year SA Long bond rate over three financial years	Year one Total Return plus the 3 – 5 year SA Long bond rate plus [3% to 4%][2] over three financial years
CSP → Free cash flow (FCF)	25%	Year one FCF plus CPI over three financial years	n/a	Year one FCF plus CPI plus [2% to 3%][2] over three financial years
SAR → Free cash flow (FCF)		Year one FCF plus CPI over three financial years	n/a	Year one FCF plus CPI plus [1% to 1.25%][2] over three financial years

[1] *For performance between these points linear vesting will apply.*
[2] *The committee will annually consider the final percentage applicable based on the prevailing market conditions and company performance.*

Variable remuneration (continued)

Share Appreciation Rights Plan

Conditional Share Plan

Performance conditions (continued)

Strategic scorecard – representing leading indicators

Performance measure	Weight	Threshold (vesting 30%)[1]	On-target (vesting 50%)[1]	Stretch (vesting 100%)[1]
ESG impact[2] through influencing investee companies, ESG rating agencies and climate goals, diversity and enhanced disclosure	15%	Internal targets as approved by Remuneration and Nomination Committee and aligned with overall ESG strategy. Committee will assess achievement against objectives on a 5-point scale and will award scores as follows:		
Strategic initiative execution focused on[3] Efficient capital allocation, portfolio optimisation, people and talent pipeline and stakeholder engagement.	10%	Internal targets as approved by Remuneration and Nomination Committee and aligned with overall business strategy. Committee will assess achievement against objectives on a 5-point scale and will award scores as follows:		

ESG scorecard outcome (as % of weight)

Rating	1 (no vesting)	2 (threshold)	3 (target)	4 (above target)	5 (stretch)
Vesting %	0%	30%	50%	75%	100%

Strategic scorecard outcome (as % of weight)

Rating	1 (no vesting)	2 (threshold)	3 (target)	4 (above target)	5 (stretch)
Vesting %	0%	30%	50%	75%	100%

(1) *For performance between these points linear vesting will apply.*
(2) *Through these targets the Company will influence proper governance, reporting and measurements of ESG activities.*
(3) *These initiatives focus on assisting in addressing the P/NAV discount.*

Variable remuneration (continued)

Share Appreciation Rights Plan	Conditional Share Plan

Performance conditions (continued)

In addition, the vesting of awards can be modified based on the extent to which the participant meets their individual performance conditions. The modification can result in an upward or downward adjustment of the vesting outcome with an upward adjustment capped at 1.2 x the vesting outcome.

These performance conditions will apply to executive directors and other members of the Management Board (prescribed officers) in respect of SAR Plan awards and to executive directors, other members of the Management Board (prescribed officers) and identified investment executives in respect of CSP awards.

All other participants to the CSP will be allocated retention awards and will have to be in the service of the Remgro Group upon vesting.

Early termination of employment

Participants may either be classified as "bad leavers" or "good leavers" and the following applies:

- *Bad leavers*
  Participants will forfeit all unvested awards.
- *Good leavers*
  A *pro rata* portion of the participant's unvested award(s) shall early vest on the date of termination of employment to the extent to which the committee determines that the performance conditions (if any) have been met. The portion of the shares that will vest will reflect the number of complete months served from the award date to the date of termination of employment, over the total number of months in the vesting period.

In addition, the rules of the SAR and the CSP allow for early vesting of awards on the date of termination of employment in exceptional circumstances as determined by the committee.

Change of control

In the event of a change of control of the Company occurring before the vesting date of any award, a portion of the award held by a participant will vest as soon as reasonably practicable thereafter. The portion of the award which shall vest will be determined based on the number of months served from the award date to the change of control date, over the total number of months in the vesting period and the extent to which the performance condition(s), if applicable, have been met. Any awards which do not vest will, subject to the discretion of the committee, remain subject to the terms of the relevant award letter.

Variation in share capital

Participants shall continue to participate in the SAR Plan and the CSP in the event of a variation in the Company's share capital. The committee may make such adjustment to the award or take such other action to place participants in no worse position than they were prior to the happening of the relevant event and to provide that the fair value of the award immediately after the event is materially the same as the fair value of the award immediately before the event.

Variable remuneration (continued)

Share Appreciation Rights Plan	Conditional Share Plan

Dilution limits

Individual basis
No award will be made to a single participant if at the time of or as a result of the granting of such award, the aggregate number of Remgro ordinary shares in respect of which any unexercised SAR Plan awards or CSP awards granted to the participant, shall exceed 5 290 000 Remgro ordinary shares, being approximately 1% of issued ordinary shares.

Overall basis
Similarly, no award will be made if at the time of or as a result of the granting of such award, the aggregate number of Remgro ordinary shares in respect of which any unexercised SAR Plan awards may be exercised or CSP awards, shall exceed 26 450 000 Remgro ordinary shares, being approximately 5% of issued ordinary shares.

Settlement considerations

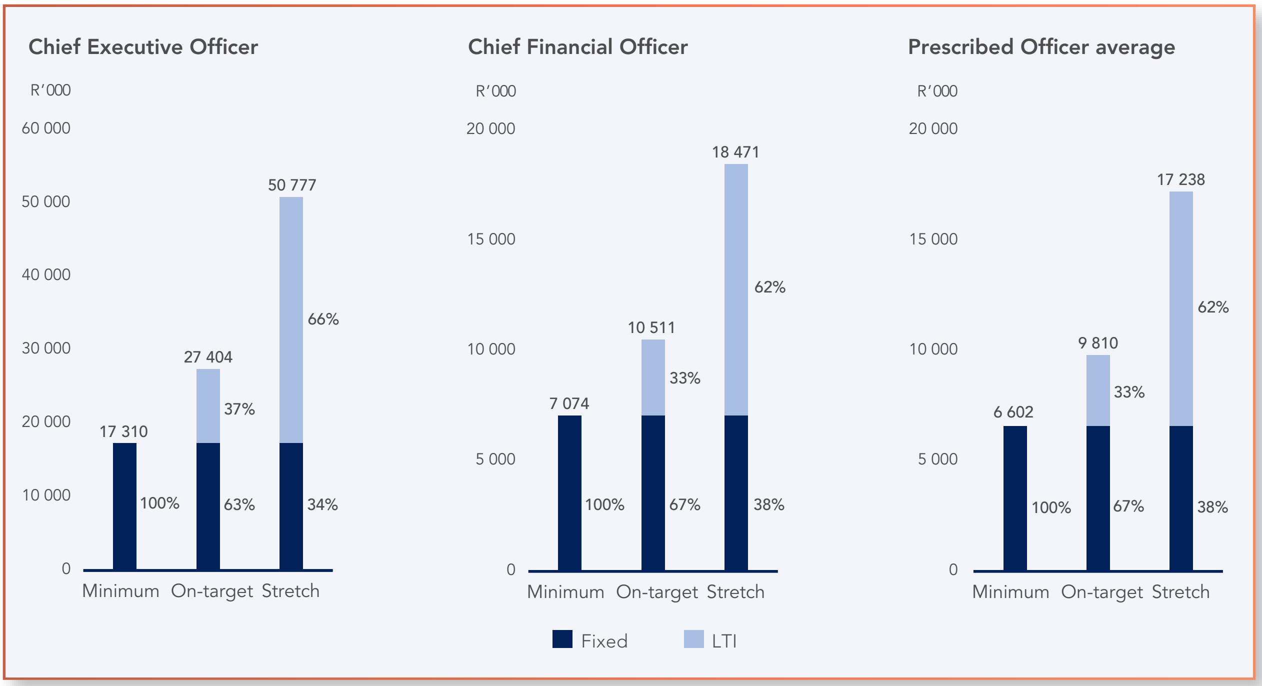
Share Appreciation Rights Plan	Conditional Share Plan
If it is assumed that all of the participants to the SAR Plan exercise all options awarded to them on 1 July 2023, Remgro will have to deliver 523 069 shares in order to settle its obligations. This calculation is based on Remgro's closing share price on 30 June 2023 of R147.05. A 10% increase or decrease in the Remgro share price will require the number of shares to be delivered to be 664 651 shares and 385 786 shares, respectively.	If it is assumed that all awards made under the CSP vest on 1 July 2023 in full, Remgro will have to deliver 3 053 129 shares in order to settle its obligations.

On 30 June 2023 Remgro held sufficient treasury shares to settle its obligations to deliver shares to LTI participants.

Scenarios of possible total remuneration outcomes

The following illustrations depict the pay mix and the possible remuneration outcomes for the CEO, CFO and the prescribed officer average at minimum, on-target and stretch levels.

Element	Minimum	On-target	Stretch
TGP	TGP for 2024		
LTI	Nil	The number of instruments granted in the 2023 financial year (in respect of the 2022 award) that will vest if target performance (50%) is achieved, multiplied by the fair value (on grant date).	The number of instruments granted in the 2023 financial year (in respect of the 2022 award) that will vest if full performance (100%) is achieved, multiplied by the face value (on grant date).



Malus and Clawback Policy

The Malus and Clawback Policy applies from 1 July 2021 to all new LTI awards.

The committee, in its discretion, may, in terms of the Malus and Clawback Policy, apply Malus and/or Clawback mechanisms to the LTI awards where a trigger event as provided for in the policy has occurred. Malus is applied to reduce awards where the trigger event is discovered before vesting or settlement of an award, whereas Clawback is used to recoup all or a portion of settled awards where a trigger event is discovered within three years post-vesting or settlement.

Trigger events include but are not limited to circumstances where any one or more of the following events have occurred:

- It has been discovered that participating employee(s) has committed any act of fraud or dishonesty, in the scope and course of his employment or directorship, or otherwise involving a member of the Group or its affairs and which has or is likely to have an effect on the financial results or financial statements of any member of the Group or on any other measurable under the short-term and long-term incentive;
- It has been discovered that participating employee(s), were involved in the falsification or misrepresentation of financial/management information, financial results or financial statements of any member of the Company;
- Any information that was used by the Board in order to determine or calculate a payment, award, benefit, allocation or grant or the vesting or settlement thereof was erroneous, inaccurate or misleading as a result of fraudulent or dishonest actions or circumstances that are directly attributable to any participating employee, or as a result of actions or circumstances that could have been avoided through reasonable care on the part of any participating employee;
- Any information emerges that was not known to or considered at the time of making a decision regarding the payment, award, benefit, allocation or grant or the vesting or settlement thereof which, in the opinion of the Board, would have affected the Board's decision and such information was not known to or considered at such time as a result of fraudulent or dishonest actions or circumstances that are directly attributable to any participating employee or as a result of actions or circumstances that could have been avoided through reasonable care on the part of any participating employee;
- Any member of the Group has:
  - Been subject to regulatory investigation as a result of a breach of any laws, rules or codes of conduct applicable to it or the standards reasonably expected of it; or
  - Suffered in the opinion of the Board, considerable reputational, in either case as a result of fraudulent or dishonest actions or circumstances that are directly attributable to participating employees or as a result of actions or circumstances that could have been avoided by the reasonable actions of participating employees.

Executive employment contracts

Executive directors and members of the Management Board do not have fixed-term contracts, but are employed in terms of the Company's standard contract of employment applicable to all employees. The notice period for termination of service is one calendar month and the normal retirement age is 63. Executive directors and members of the Management Board also do not have exceptional benefits associated with the termination of their services. Upon termination of employment, any payments made to employees will be as required in terms of legislation, and the consequences in respect of unexercised SARs and/or unvested CSP awards will be governed by the rules of the SAR Plan (or previous SAR Scheme) and CSP based on the reasons for the termination of employment.

Non-executive directors' remuneration

Independent non-executive directors

Independent non-executive directors do not have any employment contracts, do not receive any benefits associated with permanent employment and do not participate in the Company's LTI plans.

Furthermore, they are categorised as independent on the basis that the Board concludes that they have no interest, position, association or relationship which, judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making in the best interest of the Company.

The independence of independent non-executive directors is reviewed annually and the independence of non-executive directors, who have served on the Board for more than nine years,

Type of fee (Rand)	**Current fee for the year ended 30 June 2023**	Proposed fee for the year ending 30 June 2024[(1)]	*% Change*
Board member	**413 400**	445 000	*7.6%*
Chairman of the Audit and Risk Committee	**340 000**	361 000	*6.2%*
Member of the Audit and Risk Committee	**168 800**	180 000	*6.6%*
Member of the Remuneration and Nomination Committee	**75 000**	80 000	*6.7%*
Chairman of Social and Ethics Committee	**137 400**	175 000	*27.6%*
Member of Social and Ethics Committee	**75 000**	95 000	*26.7%*
Chairman of Investment Committee	**–**	146 000	–
Member of Investment Committee	**–**	80 000	–
Chairman of Valuation Committee	**–**	146 000	–
Member of Valuation Committee	**–**	80 000	–
Chairman of Strategic ESG Committee	**–**	146 000	–
Member of Strategic ESG Committee	**–**	80 000	–
Meeting fee for *ad hoc* Committees	**31 800**	32 000	*0.6%*

Fees are excluding VAT.

(1) For the financial year ending on 30 June 2024, fees paid only for attendance per meeting of the subcommittees of the Board would be discontinued. Instead, subcommittees chairs and members would receive a fixed fee (as set out in the table above). This change would bring the director fee structure of the Company in line with that of its main competitors.

is subject to a rigorous review by the Board. The Board, led by the Lead Independent Director, considered the independence of the independent non-executive directors, and is satisfied with their independence, including the independence of Messrs F Robertson (appointed 28 March 2001), M Morobe (appointed 18 June 2007), N P Mageza (appointed 4 November 2009) and P J Moleketi (appointed 4 November 2009) who each has served on the Remgro Board for more than nine years. Based on an evaluation of the aforementioned directors, there is no evidence of any circumstances or relationships that will impair their judgement, and the Board is satisfied that their independence is in no way affected by their length of service.

Independent non-executive directors are paid a fixed annual Board fee. Committee fees are also determined on a fixed annual basis. The fee structure is reviewed annually on 1 July. During the year under review the committee commissioned a comprehensive and bespoke survey amongst comparable companies based on *inter alia*, turnover, total assets, profit before tax, earnings before EBIT or EBITDA and/or market capitalisation. The committee considered the median fees of the comparator companies based on an annual fee and fee per meeting basis and compared against the number of committee meetings attended per annum. Non-executive director fees are approved by shareholders at the Company's AGM by special resolution prior to payment. Remgro also pays for all travelling and accommodation expenses reasonably and properly incurred in order to attend meetings.

Non-independent non-executive directors

Messrs J P Rupert, A E Rupert, P J Neethling and J Malherbe are regarded as non-independent non-executive directors.

The Chairman, Messrs A E Rupert and P J Neethling receive no emoluments or fees from Remgro, whilst Mr J Malherbe receives the approved annual Board and committee fees paid to independent non-executive directors.

As in the case of independent non-executive directors, these directors do not participate in the Company's LTI plans.

The proposed fee structure, based on the outcome of the bespoke NED fee survey and payable to non-executive directors for the year ending 30 June 2024 is presented in the table above. Also see Special Resolution Number 1 in the Notice to shareholders on page 173.

Shareholder engagement and non-binding advisory vote

The Remuneration Policy and Remuneration Implementation Report are respectively tabled for separate non-binding advisory votes by the shareholders at each AGM.

The committee will engage with shareholders in the event of a 25% or more dissenting vote on either or both the Remuneration Policy and Remuneration Implementation Report. In that event, the Company will, in its voting results announcement provide for (1) an invitation to dissenting shareholders to engage with the Company, and (2) the manner and timing of such engagement. In this regard the Company intends to (1) invite the dissenting shareholders to provide the Company with their written submissions as to why they voted against the Remuneration Policy or Remuneration Implementation Report, (2) address the legitimate and reasonable objections of dissenting shareholders, and (3) report back to the dissenting shareholders. If appropriate and practical, the Company may engage with dissenting shareholders either individually or collectively at meetings called for that purpose. Other methods of shareholder engagement may include conference calls, emails and investor roadshows.

Part 3: Remuneration Implementation Report

The Remuneration Implementation Report provides details on how Remgro implemented its Remuneration Policy during the 2023 financial year (the information on pages 112 to 121 was audited). This Remuneration Implementation Report will be put to a non-binding advisory vote by shareholders at the next AGM on 4 December 2023.

Fixed remuneration

During the year under review, the executive directors and other members of the Management Board and senior executives received an average salary increase of 5.80%. Management employees received an average increase of 6.00% while non-management level employees received average increases of between 6.25% and 6.50% dependent on their level in the company

Short-term incentives outcome

Remgro's Remuneration Policy does not provide for any short- term incentives, therefore no outcomes are reported in terms of this.

Long-term incentives outcome

The **performance conditions** for the December 2022 awards with a performance period from 1 July 2022 to 30 June 2025 are set out below.

Performance measure	Weight	Threshold (vesting 30%)[1]	On-target (vesting 50%)[1]	Stretch (vesting 100%)[1]
INAV	55%	Year one INAV plus CPI over three financial years	Year one INAV plus the 3 – 5 year SA Long bond rate over three financial years	Year one INAV plus the 3 – 5 year SA Long bond rate plus 5% over three financial years
Free cash flow (FCF)	25%	Year one FCF plus CPI over three financial years	n/a	Year one FCF plus CPI plus 2.0% over three financial years
ESG	20%	The following to be achieved by 31 December 2023: • Influence 4 of the 9 (c.44%)[2] of identified investee companies) to have an ESG-focused Board (or similar) subcommittee **and** committee terms of reference **and** a formalised ESG strategy **and** updated remuneration policies embedding ESG principles.[3] • Appoint provider(s) to measure critical environmental measures, such as carbon emissions, across the identified investee companies to determine baseline measure and inform aspirational environmental goal(s)	The following needs to be achieved by 30 June 2024: • Influence 6 of the 9 (c.67%)[2] of identified investee companies) to have an ESG-focused Board (or similar) subcommittee **and** committee terms of reference **and** a formalised ESG strategy **and** updated remuneration policies embedding ESG principles.[3]	The following needs to be achieved by 30 June 2025: • Influence 9 of the 9 (100%)[2] of identified investee companies) to have an ESG-focused Board (or similar) subcommittee **and** committee terms of reference **and** a formalised ESG strategy **and** updated remuneration policies embedding ESG principles.[3] • Provide shareholders with a report on the Company's ESG progress in relation to:[4] – each identified investee company's progress, – calculating its greenhouse gas emissions, and – disclosing the aggregate baseline greenhouse gas emissions for identified companies.

(1) *For performance between these points linear vesting will apply.*
(2) *The number of companies can change over time because of corporate activities. Strategy remains focused on around 80% of INAV.*
(3) *Through these targets the Company will influence proper governance, reporting and measurements of ESG activities.*
(4) *To update the Company ESG framework by June 2026 to include medium-, and long-term aspirations for the aggregated Company greenhouse gas emissions.*

The **performance outcomes** for the 2020 LTI award, with a performance period from 1 July 2020 to 30 June 2023, are set out below.

As communicated in our 2022 report, the 2019 and 2020 LTI award is the first award which incorporates ESG performance measures. These measures take the form of qualitative ESG milestones, aimed at driving the momentum and success of our ESG journey, and primarily focused on governance, risk and strategic investment decisions as well as portfolio impact.

Financial

Performance measure	Weight	Base measure (June 2020)	Threshold (vesting 30%)	On-target (vesting 50%)	Stretch (vesting 100%)	Actual measure (June 2023)	Actual vesting %
INAV Performance hurdles and outcome (Rand per share)			Year one INAV plus CPI over three financial years	Year one INAV plus the 3–5 year SA Long-bond rate over three financial years	Year one INAV plus the 3–5 year SA Longbond rate plus 5% over three financial years		
	55%	153.53[1]	179.86	193.64	221.79	248.47	100%
FCF Performance hurdles and outcome (cents per share)			Year one FCF plus CPI over three financial years	n/a	Year one FCF plus CPI plus 1.25% over three financial years		
	25%	391.00[1]	1 290.70	n/a	1 322.40	953.10	0%

[1] *During the June 2022 year, the INAV and FCF bases of R154.47 and 396.2 cents per share (cps) were adjusted to R153.53 and 391.0 cps, respectively following the unbundling of Grindrod Limited shares.*

Non-financial – ESG

Performance measure	Weight	Threshold (vesting 30%)	On-target (vesting 50%)	Stretch (vesting 100%)
ESG	20%	The following needed to be achieved by December 2021: • Amend all committee and Board mandates to include ESG focus. • Establish an Operational ESG Committee (subcommittee of the Management Board) to provide direction and oversight with regards to the ESG strategy. • Establish a Strategic ESG Committee (subcommittee of the Remgro Board) to provide strategic direction and overall oversight of the Remgro Group ESG strategy and activities. • Develop and approve mandates and terms of references for these committees to ensure they operate efficiently and to enable the Remgro ESG focus.	The following needed to be achieved by 30 June 2022: • Identify and engage with external expertise to develop a strategic ESG framework and to establish, amongst others, what environmental areas Remgro will focus on (i.e. water, carbon footprint, plastic, etc.), prepare an ESG footprint of Remgro's investee companies, establish measurable targets and stretching goals and identify how to communicate our ESG intent to the market. • To develop an ESG investment business case framework to be used when considering new investments. This would aim to articulate any possible industries/ activities Remgro would not invest into and provide possible investments with a framework of what they would need to comply with either before investing or within a certain timeframe after investing. • Ready to present specific ESG targets and, baseline measures for selected targets and threshold and stretch performance hurdles for each target at the November 2022 Remgro Remuneration and Nomination Committee meeting.	The following needed to be achieved by 31 December 2022: • Influence portfolio impact at subsidiary level through ensuring key subsidiary companies to have ESG targets and KPIs for LTI and/or STI plans at executive level. • Stretch can only be achieved if KPIs at threshold and target were achieved.
Actual performance		100% achieved	100% achieved	90% achieved
LTI vesting (non-financial)				18%

Total vesting outcome:

LTI vesting outcome (financial)	LTI vesting outcome (non-financial)	LTI vesting outcome (total)
55%	18%	73%

Long-term incentives summary

The tables below provide information on a director and prescribed officer basis of SARs granted and accepted during the year and the indicative value of SARs not yet exercised (outstanding SARs). It also illustrates the cash value of SARs exercised during the year.

Share Appreciation Rights (SARs)

Directors

Participant	Offer date[1]	Offer price[2] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2022	Adjusted offer price[3] (Rand)	SARs accepted/ (exercised)/ (forfeited) during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[4] (R'000)	Balance of SARs accepted as at 30 June 2023[5]	Fair value of SARs as at 30 June 2023[6] (R'000)
Executive											
J J Durand	29-Nov-12[7]	147.25	271 258	10 763	271 258	90.97				271 258	15 615
	04-Dec-13[7]	191.70	93 128	5 064	93 128	123.80	(93 128)	144.47	1 925	–	–
	26-Nov-14[7]	253.53	108 468	7 442	108 468	160.29				108 468	386
	24-Nov-15[7]	272.00	192 676	15 591	192 676	166.08				192 676	414
	01-Dec-16	209.11	150 872	10 554	150 872	122.38	(150 872)	144.47	3 333	–	–
	14-Dec-17	206.35	132 309	9 705	132 309	114.92				132 309	5 637
	05-Dec-20[8]	93.82	235 427	6 111	235 427	89.21	(68 272)			167 155	6 600
	05-Dec-20	93.82	235 454	6 631	235 454	89.69				235 454	9 733
	05-Dec-21	126.99	181 379	7 853	181 379	121.63				181 379	6 251
	05-Dec-22	141.64	172 168	8 509	–	141.64	172 168			172 168	5 548
M Lubbe	29-Nov-12[7]	147.25	13 961	554	13 961	90.97				13 961	804
	04-Dec-13[7]	191.70	7 444	405	7 444	123.80	(7 444)	147.57	177	–	–
	26-Nov-14[7]	253.53	4 011	275	4 011	160.29				4 011	14
	24-Nov-15[7]	272.00	8 036	650	8 036	166.08				8 036	17
	01-Dec-16	209.11	65 632	4 591	65 632	122.38	(65 632)	147.57	1 653	–	–
	14-Dec-17	206.35	15 481	1 136	15 481	114.92				15 481	660
	05-Dec-20[8]	93.82	39 078	1 014	39 078	89.21	(11 331)			27 747	1 096
	05-Dec-20	93.82	46 448	1 308	46 448	89.69				46 448	1 920
	05-Dec-21	126.99	35 796	1 550	35 796	121.63				35 796	1 234
	05-Dec-22	141.64	37 780	1 867	–	141.64	37 780			37 780	1 218
N J Williams	29-Nov-12[7]	147.25	81 901	3 250	81 901	90.97				81 901	4 715
	04-Dec-13[7]	191.70	22 221	1 208	22 221	123.80	(22 221)	147.57	528	–	–
	26-Nov-14[7]	253.53	16 430	1 127	16 430	160.29				16 430	58
	24-Nov-15[7]	272.00	27 492	2 225	27 492	166.08				27 492	59
	01-Dec-16	209.11	98 716	6 905	98 716	122.38	(98 716)	147.57	2 487	–	–
	14-Dec-17	206.35	55 677	4 084	55 677	114.92				55 677	2 372
	05-Dec-20[8]	93.82	72 103	1 871	72 103	89.21	(20 908)			51 195	2 021
	05-Dec-20	93.82	72 124	2 031	72 124	89.69				72 124	2 981
	05-Dec-21	126.99	55 568	2 406	55 568	121.63				55 568	1 915
	05-Dec-22	141.64	58 623	2 897	–	141.64	58 623			58 623	1 889
Total					2 339 090		(269 953)		10 103	2 069 137	73 157

(1) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.*

(2) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from 5 December 2018 onwards is the five-day VWAP on offer date.*

(3) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions. During the 2023 financial year offer prices were reduced by between R3.25 and R5.36 (depending on the offer date) as a result of the Grindrod Unbundling.*

(4) *This refers to the increase in value of the SARs from the offer date to the date of exercise.*

(5) *SARs offered from 5 December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met, unless SARs were forfeited.*

(6) *Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage of the 2018 awards onwards is considered to be the on-target performance level of 60%.*

(7) *The expiry dates of these awards were extended to November 2023. As an alternative option to the 2012 SAR awards, a special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, the special CSP award will lapse.*

(8) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively. The performance conditions of the 2019 awards were met by 71% and consequently 29% of the SARs were forfeited.*

Long-term incentives summary (continued)

Share Appreciation Rights (SARs) (continued)

Directors (continued)

Participant	Offer date[1]	Offer price[2] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2021	Adjusted offer price[3] (Rand)	SARs accepted/ (forfeited) during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[4] (R'000)	Balance of SARs accepted as at 30 June 2022[5]	Fair value of SARs as at 30 June 2022[6] (R'000)
Executive											
J J Durand	29-Nov-12[7]	147.25	271 258	10 763	271 258	94.22				271 258	10 614
	04-Dec-13[7]	191.70	93 128	5 064	93 128	127.40				93 128	1 597
	26-Nov-14[7]	253.53	108 468	7 442	108 468	164.57				108 468	535
	24-Nov-15[7]	272.00	192 676	15 591	192 676	170.38				192 676	823
	01-Dec-16	209.11	150 872	10 554	150 872	125.95				150 872	2 561
	14-Dec-17	206.35	132 309	9 705	132 309	118.86				132 309	2 918
	05-Dec-18[8]	205.07	87 135	5 436	87 135	112.38	(87 135)			–	–
	05-Dec-20[9]	93.82	235 427	6 111	235 427	93.82				235 427	7 415
	05-Dec-20	93.82	235 454	6 631	235 454	93.82				235 454	8 300
	05-Dec-21	126.99	181 379	7 853	–	126.99	181 379			181 379	5 362
M Lubbe	29-Nov-12[7]	147.25	13 961	554	13 961	94.22				13 961	546
	04-Dec-13[7]	191.70	7 444	405	7 444	127.40				7 444	128
	26-Nov-14[7]	253.53	4 011	275	4 011	164.57				4 011	20
	24-Nov-15[7]	272.00	8 036	650	8 036	170.38				8 036	34
	01-Dec-16	209.11	65 632	4 591	65 632	125.95				65 632	1 114
	14-Dec-17	206.35	15 481	1 136	15 481	118.86				15 481	341
	05-Dec-18[8]	205.07	14 648	914	14 648	112.38	(14 648)			–	–
	05-Dec-20[9]	93.82	39 078	1 014	39 078	93.82				39 078	1 231
	05-Dec-20	93.82	46 448	1 308	46 448	93.82				46 448	1 637
	05-Dec-21	126.99	35 796	1 550	–	126.99	35 796			35 796	1 058
N J Williams	29-Nov-12[7]	147.25	81 901	3 250	81 901	94.22				81 901	3 205
	04-Dec-13[7]	191.70	22 221	1 208	22 221	127.40				22 221	381
	26-Nov-14[7]	253.53	16 430	1 127	16 430	164.57				16 430	81
	24-Nov-15[7]	272.00	27 492	2 225	27 492	170.38				27 492	117
	01-Dec-16	209.11	98 716	6 905	98 716	125.95				98 716	1 675
	14-Dec-17	206.35	55 677	4 084	55 677	118.86				55 677	1 228
	05-Dec-18[8]	205.07	28 465	1 776	28 465	112.38	(28 465)			–	–
	05-Dec-20[9]	93.82	72 103	1 871	72 103	93.82				72 103	2 271
	05-Dec-20	93.82	72 124	2 031	72 124	93.82				72 124	2 542
	05-Dec-21	126.99	55 568	2 406	–	126.99	55 568			55 568	1 643
Total					2 196 595		142 495		–	2 339 090	59 377

(1) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.*

(2) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from December 2018 onwards is the five-day VWAP on offer date.*

(3) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions.*

(4) *This refers to the increase in value of the SARs from the offer date to the date of exercise.*

(5) *SARs offered from December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met.*

(6) *Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage of the 2018 awards and onwards is considered to be the on-target performance level of 60%.*

(7) *The expiry dates of these awards were extended to November 2023. As an alternative option to the 2012 SAR awards, a special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, the special CSP award will lapse.*

(8) *The performance conditions of the 2018 awards were not met and the SARs were forfeited.*

(9) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.*

Long-term incentives summary (continued)

Share Appreciation Rights (SARs) (continued)

Prescribed officers

Participant	Offer date[1]	Offer price[2] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2022	Adjusted offer price[3] (Rand)	SARs accepted/ (exercised)/ (forfeited) during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[4] (R'000)	Balance of SARs accepted as at 30 June 2023[5]	Fair value of SARs as at 30 June 2023[6] (R'000)
P R Louw	29-Nov-12[7]	147.25	22 646	899	22 646	90.97	(22 646)	146.18	1 250	–	–
	04-Dec-13[7]	191.70	12 944	704	12 944	123.80	(12 944)	146.18	290	–	–
	26-Nov-14[7]	253.53	5 952	408	5 952	160.29				5 952	21
	24-Nov-15[7]	272.00	9 497	768	9 497	166.08				9 497	20
	01-Dec-16	209.11	91 120	6 374	91 120	122.38	(91 120)	146.18	2 169	–	–
	14-Dec-17	206.35	20 301	1 489	20 301	114.92				20 301	865
	05-Dec-20[8]	93.82	46 428	1 205	46 428	89.21	(13 464)			32 964	1 302
	05-Dec-20	93.82	46 448	1 308	46 448	89.69				46 448	1 920
	05-Dec-21	126.99	35 796	1 550	35 796	121.63				35 796	1 234
	05-Dec-22	141.64	37 780	1 867	–	141.64	37 780			37 780	1 218
P J Uys	02-Apr-13[7]	183.15	218 400	10 519	218 400	118.16				218 400	6 919
	04-Dec-13[7]	191.70	3 325	181	3 325	123.80				3 325	88
	26-Nov-14[7]	253.53	14 774	1 014	14 774	160.29				14 774	53
	24-Nov-15[7]	272.00	11 533	933	11 533	166.08				11 533	25
	01-Dec-16	209.11	91 463	6 398	91 463	122.38				91 463	2 542
	14-Dec-17	206.35	85 936	6 303	85 936	114.92				85 936	3 661
	05-Dec-20[8]	93.82	88 088	2 286	88 088	89.21	(25 543)			62 545	2 470
	05-Dec-20	93.82	88 108	2 481	88 108	89.69				88 108	3 642
	05-Dec-21	126.99	67 853	2 938	67 853	121.63				67 853	2 339
	05-Dec-22	141.64	71 565	3 537	–	141.64	71 565			71 565	2 306
Total					960 612		(56 372)		3 709	904 240	30 625

(1) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.*

(2) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from 5 December 2018 onwards is the five-day VWAP on offer date.*

(3) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions. During the 2023 financial year offer prices were reduced by between R3.25 and R5.36 (depending on the offer date) as a result of the Grindrod Unbundling.*

(4) *This refers to the increase in value of the SARs from the offer date to the date of exercise.*

(5) *SARs offered from 5 December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met, unless SARs were forfeited.*

(6) *Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage of the 2018 awards onwards is considered to be the on-target performance level of 60%.*

(7) *The expiry dates of these awards were extended to November 2023. As an alternative option to the 2012 SAR awards, a special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, the special CSP award will lapse.*

(8) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively. The performance conditions of the 2019 awards were met by 71% and consequently 29% of the SARs were forfeited.*

Long-term incentives summary (continued)

Share Appreciation Rights (SARs) (continued)

Prescribed officers (continued)

Participant	Offer date[1]	Offer price[2] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2021	Adjusted offer price[3] (Rand)	SARs accepted/ (forfeited) during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[4] (R'000)	Balance of SARs accepted as at 30 June 2022[5]	Fair value of SARs as at 30 June 2022[6] (R'000)
P R Louw	29-Nov-12[7]	147.25	22 646	899	22 646	94.22				22 646	886
	04-Dec-13[7]	191.70	12 944	704	12 944	127.40				12 944	222
	26-Nov-14[7]	253.53	5 952	408	5 952	164.57				5 952	29
	24-Nov-15[7]	272.00	9 497	768	9 497	170.38				9 497	41
	01-Dec-16	209.11	91 120	6 374	91 120	125.95				91 120	1 546
	14-Dec-17	206.35	20 301	1 489	20 301	118.86				20 301	448
	05-Dec-18[8]	205.07	17 881	1 116	17 881	112.38	(17 881)			–	–
	05-Dec-20[9]	93.82	46 428	1 205	46 428	93.82				46 428	1 462
	05-Dec-20	93.82	46 448	1 308	46 448	93.82				46 448	1 637
	05-Dec-21	126.99	35 796	1 550	–	126.99	35 796			35 796	1 058
P J Uys	02-Apr-13[7]	183.15	218 400	10 519	218 400	121.67				218 400	4 732
	04-Dec-13[7]	191.70	3 325	181	3 325	127.40				3 325	57
	26-Nov-14[7]	253.53	14 774	1 014	14 774	164.57				14 774	73
	24-Nov-15[7]	272.00	11 533	933	11 533	170.38				11 533	49
	01-Dec-16	209.11	91 463	6 398	91 463	125.95				91 463	1 552
	14-Dec-17	206.35	85 936	6 303	85 936	118.86				85 936	1 895
	05-Dec-18[8]	205.07	35 822	2 235	35 822	112.38	(35 822)			–	–
	05-Dec-20[9]	93.82	88 088	2 286	88 088	93.82				88 088	2 774
	05-Dec-20	93.82	88 108	2 481	88 108	93.82				88 108	3 106
	05-Dec-21	126.99	67 853	2 938	–	126.99	67 853			67 853	2 006
Total					910 666		49 946		–	960 612	23 573

(1) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.*

(2) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from December 2018 onwards is the five-day VWAP on offer date.*

(3) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions.*

(4) *This refers to the increase in value of the SARs from the offer date to the date of exercise.*

(5) *SARs offered from December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met.*

(6) *Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage of the 2018 awards and onwards is considered to be the on-target performance level of 60%.*

(7) *The expiry dates of these awards were extended to November 2023. As an alternative option to the 2012 SAR awards, a special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, the special CSP award will lapse.*

(8) *The performance conditions of the 2018 awards were not met and the SARs were forfeited.*

(9) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.*

Long-term incentives summary (continued)

The tables below provide information on a director and prescribed officer basis of CSPs granted and accepted during the year. It also illustrates the cash value of CSPs vested during the year.

Conditional Share Plan shares (CSPs)

Directors

Participant	Offer date[(1)]	Offer price[(2)] (Rand)	Number of CSPs offered and accepted	Fair value of CSPs on offer date (R'000)	Balance of CSPs accepted as at 30 June 2022	CSPs accepted/ (forfeited) during the year	Additional CSPs from Grindrod Unbundling[(3)]	Additional CSPs from dividends[(4)]	CSPs exercised during the year	Cash value of CSPs vesting in year[(5)] (R'000)	Balance of CSPs accepted as at 30 June 2023[(6)]	Fair value of CSPs as at 30 June 2023[(7)] (R'000)
Executive												
J J Durand	05-Dec-20[(8)]	93.82	235 427	20 366	235 427	(69 766)	5 156	996	(57 937)	8 206	113 876	10 047
	05-Dec-20	93.82	235 454	19 655	235 454		5 157				240 611	21 229
	05-Dec-20[(9)]	93.82	95 672	8 728	95 672		2 096	855			98 623	14 503
	05-Dec-21	126.99	181 379	20 747	181 379		3 973				185 352	16 354
	05-Dec-22	141.64	172 168	23 623	–	172 168					172 168	15 190
M Lubbe	05-Dec-20[(8)]	93.82	39 078	3 380	39 078	(11 577)	856	166	(9 619)	1 362	18 904	1 668
	05-Dec-20	93.82	46 448	3 877	46 448		1 018				47 466	4 188
	05-Dec-20[(9)]	93.82	4 924	449	4 924		108	45			5 077	747
	05-Dec-21	126.99	35 796	4 094	35 796		784				36 580	3 227
	05-Dec-22	141.64	37 780	5 184	–	37 780					37 780	3 333
N J Williams	05-Dec-20[(8)]	93.82	72 103	6 237	72 103	(21 365)	1 580	306	(17 746)	2 514	34 878	3 077
	05-Dec-20	93.82	72 124	6 021	72 124		1 580				73 704	6 503
	05-Dec-20[(9)]	93.82	28 887	2 635	28 887		633	259			29 779	4 379
	05-Dec-21	126.99	55 568	6 356	55 568		1 217				56 785	5 010
	05-Dec-22	141.64	58 623	8 044	–	58 623					58 623	5 172
Total					1 102 860	165 863	24 158	2 627	(85 302)	12 082	1 210 206	114 627

(1) *Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.*
(2) *Offer price of CSPs granted is the five-day VWAP on offer date.*
(3) *As a result of the Grindrod Unbundling, additional CSPs, being a factor of 0.0219 of the CSPs held, were allocated during the 2023 financial year.*
(4) *Dividend equivalents accumulated and converted to shares upon vesting.*
(5) *This refers to the total value of the CSPs on vesting at the five-day VWAP of Remgro of R141.64.*
(6) *CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met, unless CSPs were forfeited.*
(7) *Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage is considered to be the on-target performance level of 60%. The special award of CSPs (refer below) does not have performance conditions.*
(8) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.*
(9) *As an alternative to the 2012 SAR awards, this special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, this special CSP award will lapse.*

Long-term incentives summary (continued)

Conditional Share Plan shares (CSPs) (continued)

Directors (continued)

Participant	Offer date[1]	Offer price[2] (Rand)	Number of CSPs offered and accepted	Fair value of CSPs on offer date (R'000)	Balance of CSPs accepted as at 30 June 2021	CSPs accepted/ (forfeited) during the year	Share price on vesting date[3] (Rand)	Cash value of CSPs vesting in year[4] (R'000)	Balance of CSPs accepted as at 30 June 2022[5, 6]	Fair value of CSPs as at 30 June 2022[7] (R'000)
Executive										
J J Durand	05-Dec-18[8]	205.07	120 107	15 933	120 107	(120 107)			–	–
	05-Dec-20[9]	93.82	235 427	20 366	235 427				235 427	17 970
	05-Dec-20	93.82	235 454	19 655	235 454				235 454	17 644
	05-Dec-20[10]	93.82	95 672	8 728	95 672				95 672	6 198
	05-Dec-21	126.99	181 379	20 747	–	181 379			181 379	13 344
M Lubbe	05-Dec-18[8]	205.07	20 191	2 678	20 191	(20 191)			–	–
	05-Dec-20[9]	93.82	39 078	3 380	39 078				39 078	2 983
	05-Dec-20	93.82	46 448	3 877	46 448				46 448	3 481
	05-Dec-20[10]	93.82	4 924	449	4 924				4 924	319
	05-Dec-21	126.99	35 796	4 094	–	35 796			35 796	2 634
N J Williams	05-Dec-18[8]	205.07	39 237	5 205	39 237	(39 237)			–	–
	05-Dec-20[9]	93.82	72 103	6 237	72 103				72 103	5 503
	05-Dec-20	93.82	72 124	6 021	72 124				72 124	5 405
	05-Dec-20[10]	93.82	28 887	2 635	28 887				28 887	1 871
	05-Dec-21	126.99	55 568	6 356	–	55 568			55 568	4 088
Total					1 009 652	93 208		–	1 102 860	81 440

(1) *Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.*
(2) *Offer price of CSPs granted is the five-day VWAP on offer date.*
(3) *Five-day VWAP of Remgro on vesting date.*
(4) *This refers to the total value of the CSPs on vesting.*
(5) *CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met.*
(6) *Dividend equivalents will be accumulated and delivered in shares upon vesting.*
(7) *Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage is considered to be the on-target performance level of 60%. The special award of CSPs (refer below) does not have performance conditions.*
(8) *The performance conditions of the 2018 awards were not met and the CSPs were forfeited.*
(9) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.*
(10) *As an alternative to the 2012 SAR awards, this special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, this special CSP award will lapse.*

Long-term incentives summary (continued)

Conditional Share Plan shares (CSPs) (continued)

Prescribed officers

Participant	Offer date(1)	Offer price(2) (Rand)	Number of CSPs offered and accepted	Fair value of CSPs on offer date (R'000)	Balance of CSPs accepted as at 30 June 2022	CSPs accepted/ (forfeited) during the year	Additional CSPs from Grindrod Unbundling(3)	Additional CSPs from dividends(4)	CSPs exercised during the year	Cash value of CSPs vesting in year(5) (R'000)	Balance of CSPs accepted as at 30 June 2023(6)	Fair value of CSPs as at 30 June 2023(7) (R'000)
P R Louw	05-Dec-20(8)	93.82	46 428	4 016	46 428	(13 758)	1 017	197	(11 426)	1 618	22 458	1 981
	05-Dec-20	93.82	46 448	3 877	46 448		1 018				47 466	4 188
	05-Dec-20(9)	93.82	7 988	729	7 988		175	72	(8 235)		–	–
	05-Dec-21	126.99	35 796	4 094	35 796		784				36 580	1 936
	05-Dec-22	141.64	37 780	5 184	–	37 780					37 780	3 333
P J Uys	05-Dec-20(8)	93.82	88 088	7 620	88 088	(26 101)	1 930	374	(21 681)	3 071	42 610	3 759
	05-Dec-20	93.82	88 108	7 355	88 108		1 930				90 038	7 944
	05-Dec-21	126.99	67 853	7 761	67 853		1 486				69 339	6 118
	05-Dec-22	141.64	71 565	9 819	–	71 565					71 565	6 314
Total					380 709	69 486	8 340	643	(41 342)	4 689	417 836	35 573

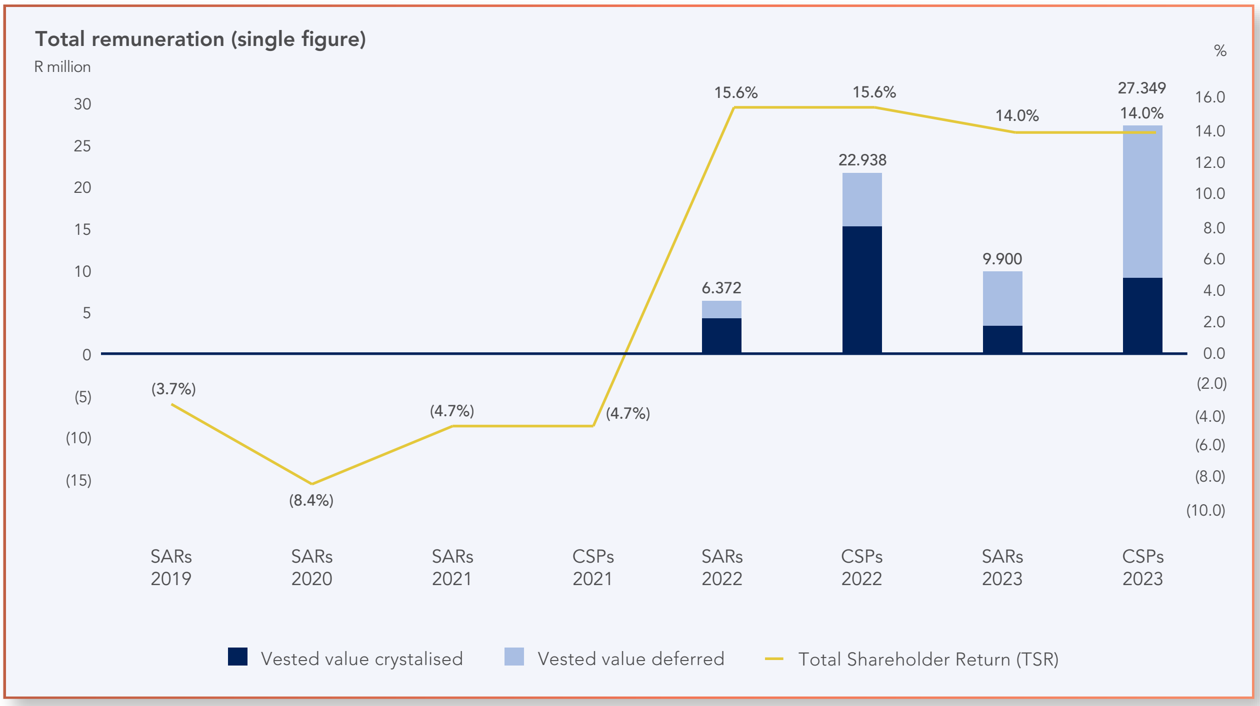
(1) *Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.*
(2) *Offer price of CSPs granted is the five-day VWAP on offer date.*
(3) *As a result of the Grindrod Unbundling, additional CSPs, being a factor of 0.0219 of the CSPs held, were allocated during the 2023 financial year.*
(4) *Dividend equivalents accumulated and converted to shares upon vesting.*
(5) *This refers to the total value of the CSPs on vesting at the five-day VWAP of Remgro of R141.64.*
(6) *CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met, unless CSPs were forfeited.*
(7) *Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage is considered to be the on-target performance level of 60%. The special award of CSPs (refer below) does not have performance conditions.*
(8) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.*
(9) *As an alternative to the 2012 SAR awards, this special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, this special CSP award will lapse.*

Participant	Offer date(1)	Offer price(2) (Rand)	Number of CSPs offered and accepted	Fair value of CSPs on offer date (R'000)	Balance of CSPs accepted as at 30 June 2021	CSPs accepted/ (forfeited) during the year	Share price on vesting date(3) (Rand)	Cash value of CSPs vesting in year(4) (R'000)	Balance of CSPs accepted as at 30 June 2022(5, 6)	Fair value of CSPs as at 30 June 2022(7) (R'000)
P R Louw	05-Dec-18(8)	205.07	24 648	3 270	24 648	(24 648)			–	–
	05-Dec-20(9)	93.82	46 428	4 016	46 428				46 428	3 544
	05-Dec-20	93.82	46 448	3 877	46 448				46 448	3 481
	05-Dec-20(10)	93.82	7 988	729	7 988				7 988	518
	05-Dec-21	126.99	35 796	4 094	–	35 796			35 796	2 634
P J Uys	05-Dec-18(8)	205.07	49 378	6 550	49 378	(49 378)			–	–
	05-Dec-20(9)	93.82	88 088	7 620	88 088				88 088	6 724
	05-Dec-20	93.82	88 108	7 355	88 108				88 108	6 602
	05-Dec-21	126.99	67 853	7 761	–	67 853			67 853	4 992
Total					351 086	29 623		–	380 709	28 495

(1) *Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.*
(2) *Offer price of CSPs granted is the five-day VWAP on offer date.*
(3) *Five-day VWAP of Remgro on vesting date.*
(4) *This refers to the total value of the CSPs on vesting date.*
(5) *CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met.*
(6) *Dividend equivalents will be accumulated and delivered in shares upon vesting.*
(7) *Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage is considered to be the on-target performance level of 60%. The special award of CSPs (refer below) does not have performance conditions.*
(8) *The performance conditions of the 2018 awards were not met and the CSPs were forfeited.*
(9) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.*
(10) *As an alternative to the 2012 SAR awards, this special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, this special CSP award will lapse.*

Total remuneration (single figure)

Linking pay with the delivery of long-term shareholder value



The graph above illustrates the following:

1. **LTI intrinsic value vested** – The stacked columns represent the intrinsic value that vested (for SARs and CSPs) to the CEO as at the end of each reporting period for the last five years.

   With regards to the SARs, it should be noted that the awards vesting in 2019 to 2020 had no performance conditions attached (other than the inherent condition for share price growth above the strike price) and as a result the vesting outcome was 100%. However, these awards were underwater as at the end of their respective financial years (i.e. the share price at year-end was below the strike price) and as a result the intrinsic value of these awards amount to R0 which resulted in no value vesting at the reporting date for these awards. The SARs vesting in years 2021 to 2023 had performance conditions attached and the vesting outcomes for these awards were 0%, 71% and 73% respectively. As a result in:

   - 2021: a value of R0 vested;
   - 2022: a value of R6.37 million vested (of which by 2023 two thirds has crystalised, with the remaining one third deferred for one more year); and
   - 2023: a value of R9.90 million vested (of which by 2023 one third has crystalised, with the remaining two thirds deferred for a further two more).

   With regard to the CSPs, the first award of CSPs was made in 2018 and vested in 2021. The CSPs vesting outcomes in 2021 to 2023 were 0%, 71% and 73% respectively. As a result in:

   - 2021: a value of R0 vested;
   - 2022: a value of R22.94 million vested (of which by 2023 two thirds has crystalised, with the remaining one third deferred for one more year); and
   - 2023: a value of R27.35 million vested (of which by 2023 one third has crystalised, with the remaining two thirds deferred for two more years).

   Please note that the SARs and CSPs vesting in 2022 were awarded in 2020 and as a result these had a reduced performance period of two years instead of three years. This is due to the fact that no awards were made in 2019 as a result of the impacts of Covid-19, and as a result these allocations were only made in 2020.

2. **TSR performance over the performance period** – Overlaid to the value vested graph is a line graph which represents the TSR CAGR performance outcome that was achieved during the performance period for each of the awards. As a result, for the awards vesting in years 2019 – 2021 & 2023 the TSR represents a three-year CAGR outcome, whereas due to the fact that the awards vesting in 2022 were only awarded in 2020 (as noted above), the TSR outcome for 2022 represents a two-year TSR CAGR in order to align with the performance period of the awards.

   In interpreting the outcomes of the graph, it can be seen that there is alignment between the CEO vesting outcomes and shareholder value creation, as:

   - Where the TSR for the performance period is negative in years 2019 to 2021 no value of LTI was vested to the CEO; and
   - Where the TSR for the performance period is positive in 2022 (15.6%) and 2023 (14.0%) there is a positive vesting outcome for the CEO.

Total remuneration (single figure) (continued)

The tables below provide information on the single figure remuneration for executive directors and prescribed officers, which comprises a fixed annual amount, as well as the value of the shares vesting 12 months after year-end.

Executive directors

R'000	Fees	Salaries	Retirement fund	Other benefits[(1)]	Fixed remune-ration	LTI[(2)]	Total
30 June 2023							
J J Durand	**413**	**12 819**	**2 625**	**442**	**16 299**	**23 490**	**39 789**
M Lubbe	**413**	**2 807**	**639**	**456**	**4 315**	**4 272**	**8 587**
N J Williams	**413**	**4 778**	**1 030**	**445**	**6 666**	**7 195**	**13 861**
Total	**1 239**	**20 404**	**4 294**	**1 343**	**27 280**	**34 957**	**62 237**
30 June 2022							
J J Durand	390	12 107	2 479	419	15 395	9 682	25 077
M Lubbe	390	2 647	602	431	4 070	1 583	5 653
N J Williams	390	4 509	965	423	6 287	3 021	9 308
Total	1 170	19 263	4 046	1 273	25 752	14 286	40 038

(1) *Other benefits include medical scheme contributions, longservice awards, vehicle benefits and UIF contributions.*
(2) *LTI figure includes SARs and CSPs awards that vest and become exercisable in the next 12 months.*

Prescribed officers

R'000	Salaries	Retirement fund	Other benefits[(1)]	Fixed remune-ration	LTI[(2)]	Total
30 June 2023						
P R Louw	**3 220**	**639**	**456**	**4 315**	**4 634**	**8 949**
P J Uys	**6 456**	**1 276**	**403**	**8 135**	**8 790**	**16 925**
Total	**9 676**	**1 915**	**859**	**12 450**	**13 424**	**25 874**
30 June 2022						
P R Louw	3 037	598	432	4 067	1 886	5 953
P J Uys	6 074	1 196	387	7 657	3 755	11 412
Total	9 111	1 794	819	11 724	5 641	17 365

(1) *Other benefits include medical scheme contributions, longservice awards, vehicle benefits and UIF contributions.*
(2) *LTI figure includes SARs and CSPs awards that vest and become exercisable in the next 12 months.*

Non-executive directors' fees

The actual fees paid to non-executive directors are disclosed below (on an individual basis).

R'000	**Fee for the year ended 30 June 2023**	Fee for the year ended 30 June 2022
Non-executive (independent)		
S E N De Bruyn	**1 094**	972
T Leoka[(1)]	**103**	–
N P Mageza[(2)]	**657**	620
P J Moleketi	**657**	620
M Morobe[(3)]	**678**	580
G G Nieuwoudt	**477**	480
K S Rantloane	**604**	540
F Robertson	**721**	680
Subtotal	**4 991**	4 492
Non-executive (non-independent)		
J Malherbe	**477**	480
P J Neethling[(4)]	**–**	–
A E Rupert[(4)]	**–**	–
J P Rupert[(4)]	**–**	–
Subtotal	**477**	480
Total	**5 468**	4 972

(1) *Dr T Leoka was appointed as an independent non-executive director with effect from 22 March 2023.*
(2) *During the year under review Mr NP Mageza also received R812 000 (2022: R772 000) as director's fees from RCL Foods Limited, a subsidiary of Remgro Limited.*
(3) *During the year under review Mr M Morobe also received R300 000 (2022: R150 000) as director's fees from Wispeco Holdings Proprietary Limited, a subsidiary of Remgro Limited.*
(4) *Messrs A E Rupert, J P Rupert and P J Neethling receive no emoluments.*

Johann Rupert.

Johann Rupert
Chairman of the Remuneration and Nomination Committee

Stellenbosch
20 September 2023

RISK AND OPPORTUNITIES Management Report

Introduction

The Board is ultimately accountable for the risk and opportunities management process and system of internal control within Remgro. The Board has reviewed the comprehensive Risk and Opportunities Management Policy and plan, which has been implemented by management. This plan incorporates continuous risk and opportunity scanning, identification and assessment, and embedding internal control as well as risk reduction and insurance strategies.

Remgro's Environmental, Social and Governance (ESG) Risk Management Framework which guides responsible investment is also relevant for this purpose as it ensures that the consideration of ESG risks and opportunities, as well as impact and sustainability considerations, are integrated and embedded into the risk and opportunities management practices. Its focus is on realisation of suitable opportunities and the consideration of salient risk aspects in setting sustainable value-generating strategies.

The Audit and Risk Committee is mandated to monitor the effectiveness of the risk and opportunities management process and systems of internal control and is supported in this regard by its subcommittee, the Risk, Opportunities, Technology and Information Governance Operational Subcommittee (ROTIG). The Strategic ESG Committee plays an important role in supporting the Audit and Risk Committee by overseeing and monitoring Remgro's ESG performance and stewardship through policies, frameworks, standards and guidelines. The Group's internal and external auditors, along with management and certain external consultants, are tasked to render combined assurance reports to the Audit and Risk Committee.

Ethical leadership and human capital are the cornerstones of Remgro's risk and opportunities management philosophy as these ensure operational competence, entrepreneurial aptitude, sound corporate reputation and effective governance. The financial, manufactured, intellectual, social and relationship and natural assets furthermore form part of the Six Capitals concept referred to in the King IV Report on Corporate Governance for South Africa (2016) (King IV). These categories of capitals, their interrelations and utilisation, to varying degrees, form an intricate part of the risk and opportunities process within the Company.

The risk and opportunities management process in Remgro comprises the arrangement of resources to ensure the achievement of the Company's stated objectives along with its purpose, strategy and aligned business plans, including the seizing of available opportunities that meet the risk appetite criteria set by the Board. Risk profiles inherent to existing activities and investments are furthermore maintained within the approved risk tolerance levels, thereby optimising the risk-return parameters for the creation of sustainable growth and value for shareholders and other stakeholders.

The incorporation of an ESG Investment Framework that intentionally provides for ESG considerations has embedded Remgro's sustainability ambitions as an integral part of its investment decision-making. Principles and evaluation criteria include ESG risks, impact considerations, value creation opportunities and sustainability for its current and potential investments. To support implementation of this ESG Investment Framework, Remgro has developed Standard Operating Procedures (SOP) to enable the various governance structures and investment teams to apply the Framework consistently and efficiently.

Strategic risk assessment includes the consideration of probable future scenarios taking cognisance of, *inter alia*, political, environmental, social, technological, economic and legislative developments in both the Remgro environment as well as the global environment and market sectors that it invests in. Given the ongoing escalation in ESG challenges faced locally and globally, the Group is responding with commensurate escalation of ESG structures and initiatives in addition to the sound processes adopted in prior years. The ESG Operational committee will also oversee the continuous enhancement of the ESG risk and opportunities register being designed to underpin purpose driven decision making.

Report parameters

Due to the nature and magnitude of Remgro's investment portfolio, this report focuses on the activities of the Company and its subsidiaries, save where such entities are separately operated listed subsidiaries with autonomous boards and adequate external reporting, or the materiality of such information is deemed insufficient to warrant detailed disclosure. As a result, this report contains risk and opportunities management information of the Company, Remgro Management Services Limited (Remgro's service company) and V&R Management Services AG[1]. These external reporting parameters are being reviewed to ensure alignment with international developments in this regard.

[1] *A wholly owned subsidiary, registered and managed in Switzerland, rendering administrative, accounting and treasury services for Remgro's foreign subsidiaries and third parties.*

Risk and opportunities management structure

The structure on the next page has been implemented and maintained to ensure the effective and efficient management of risk and opportunities within the Company.

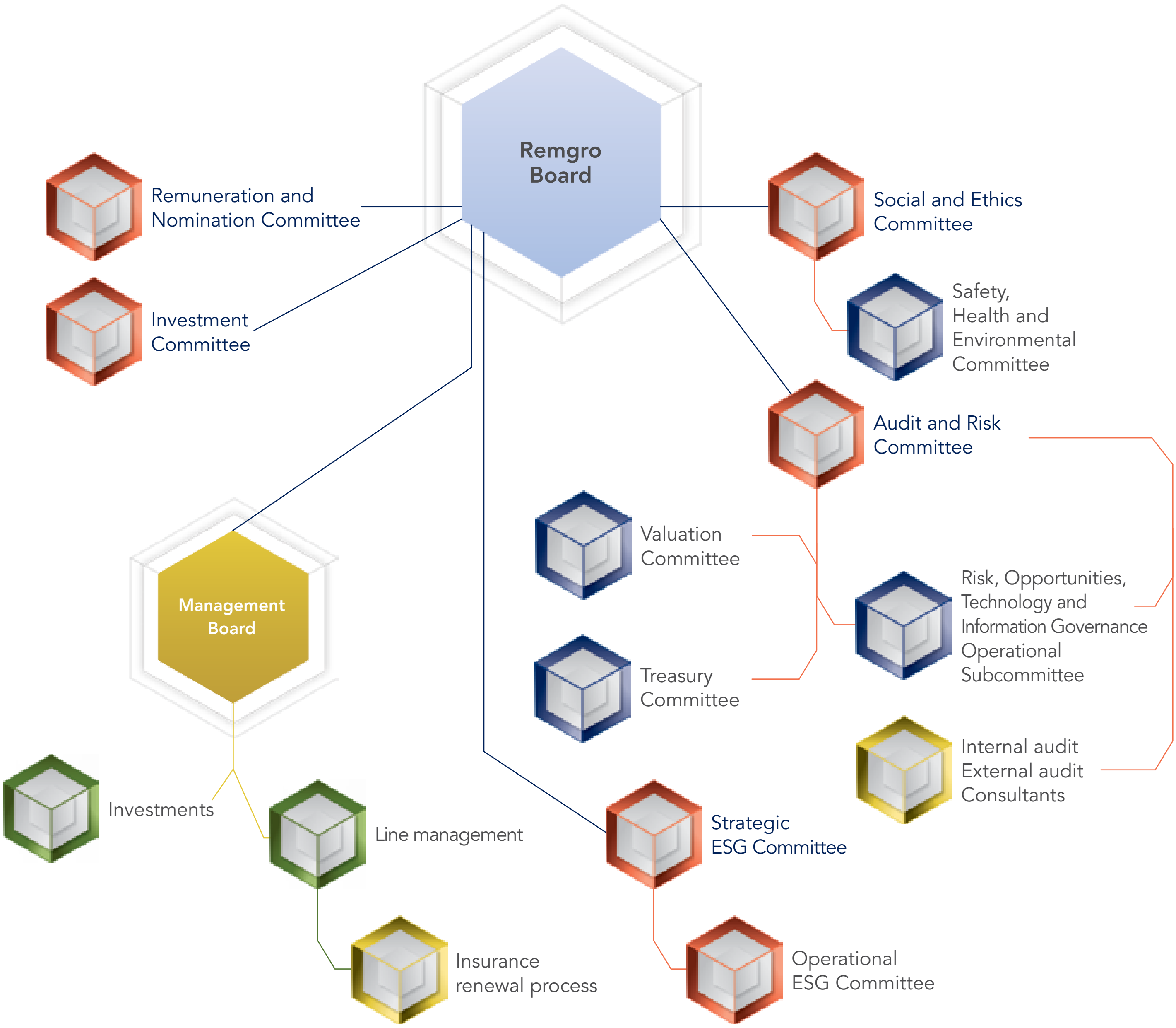
The function of the Chief Risk Officer is shared amongst the following individuals:

- The CEO reports directly to the Board on an ongoing basis with regards to the risks that may impact the effective and efficient execution of its strategy and opportunities submitted to the Investment Committee.
- The CFO, as Chairman of the ROTIG Committee, is responsible for the induction of risk and opportunities management into the daily activities of the Company, including the drafting, review and maintenance of the Company risk register and Risk and Opportunities Management Policy and plan.
- The Chief Audit Executive (CAE) attends meetings of the Management Board, the Operational ESG Committee and ROTIG Committee and renders value-adding considerations and independent assurance regarding the effectiveness of these committees' activities as well as the risk management process and system of internal control.

Risk management process

The Risk and Opportunities Management Policy is based on the principles of the international COSO (Committee of Sponsoring Organisations of the Treadway Commission) Enterprise Risk Management – Integrated Framework and complies with the recommendations of King IV. This policy defines the objectives, methodology, processes and responsibilities of

Board and Governance Structure



the various risk and opportunities management role players in the Company. The Risk and Opportunities Management Policy is subject to annual review and any proposed amendments are submitted to the Audit and Risk Committee for consideration and recommendation to the Board for approval.

Remgro is an investment holding company and as such, the risk and opportunities management process takes cognisance of risks and opportunities within the Company as well as the risks and opportunities inherent to its investment portfolio.

Material external risks include ongoing and escalated uncertainty on the government's ability to deliver on its mandate and the sustained global economic downturn intensified by the impacts of the Russia-Ukraine War impacting on market confidence and global, regional and local stability.

Remgro, being a responsible investor, ensures that proper corporate governance is implemented and maintained in all entities it invests in via the above processes.

Remgro deploys dedicated processes to timely identify and effectively mitigate disruption risk and realises opportunities associated with future developments.

Emerging risk and opportunities, integrated with a sound corporate and entrepreneurial culture, inform strategy and investment mandate considerations.

The table below summarises the salient operational objectives and related risk mitigation processes included in the Remgro risk register:

Key objectives	Key controls
The appointment and retention of suitably skilled and experienced directors and officers possessing the required values and drive.	Effective functioning of the Remuneration and Nomination Committee. Performance assessments and evaluations. Strong ethical leadership. Continuous skills and attribute development aligned with business developments and corporate values. "Staying Future Fit" project and initiatives supporting the Management Board. Effective functioning of the Talent and Remuneration Management Committee.
Ethical and visible leadership via governance structures and related processes maintaining Remgro's reputation as a good corporate citizen and a socially and environmentally responsible investor.	Anti-corruption and fraud prevention and detection procedures. Embedded system of values and ethics and maintenance thereof via visible leadership and ethical competence refresher training. Formalised ethics management and anti-corruption policies and codes of conduct. Formalised tax, environmental and social policies. Corporate culture focused on excellence in execution, fairness in dealing and transparency in reporting. Comprehensive and King IV-compliant corporate governance structures and systems. Effective and credible investor and stakeholder communications. Effective functioning of the Social and Ethics Committee. Effective oversight of ESG policies and performance by the Strategic ESG Committee. Business strategies aligned with corporate mission based on stakeholder-inclusive principles. Effective functioning of the Audit and Risk Committee. Effective internal control, combined assurance, risk management and reporting processes.
Development and implementation of an ESG and sustainability strategy to ensure consistency of standards across Remgro and its investee companies. Alignment with international and local best practice.	ESG charter and governance structures that provide strategic direction and oversight in support of Remgro's sustainability goals. Stewardship of investee companies in relation to ESG and sustainability issues to influence and drive sustainable behaviour through ESG principles to achieve common and collective sustainability goals. Board oversight in conjunction with the Strategic ESG Committee. Board guidelines to the Corporate Social Investment function. Commissioning of regular baseline ESG footprint reporting across selected investee companies. Safety, health and environmental management included under the ambit of the ROTIG Committee with formalised policies. Preparation of disclosures aligned to Task Force on Climate-Related Financial Disclosures (TCFD) framework recommendations. Successful participation in CDP (formerly Carbon Disclosure Project) and inclusion in FTSE/JSE Responsible Investment Index.

Key objectives	Key controls
Adoption and implementation of appropriate long-term strategy and business plans within approved risk appetite duly communicated and delegated to the executive.	Effective Management Board supported by executive management and an experienced investment division. Conducted a comprehensive Remgro 2030 workshop to consider emerging risk and opportunity trends across the full strategic and operational spectrum of the Group, including, *inter alia*, international developments in technology, consumerism, market and business model disruptions, investor, *et al* to inform medium- to long-term strategic development and investment focus. Developing, implementing and monitoring various strategic initiatives to effectively respond to salient current aspects, including a comprehensive and timely alignment with future developments. Investing in the enhancement of human and intellectual capital deployed in the Group. Dedicated focus on risks and opportunities associated with global and local political, socio-economic, legislative and technological developments. Adequate design and implementation of appropriate risk responses; the establishment and implementation of business resilience and continuity arrangements that allow Remgro to operate under conditions of volatility, and to withstand and recover from acute shocks and enhance enterprise resilience. Focus areas include, *inter alia*, concerning trends in infrastructure failing, inconsistent and deteriorating electricity supply, increasing crime, societal grievances associated with service delivery failures and the continuing economic decline. Effective assessment of risks and opportunities emanating from the triple context in which Remgro operates (i.e. the economy, society and environment) and the capitals that Remgro uses and effects (i.e. financial, manufactured, intellectual, human, social and relationship and natural) to optimise performance and resource deployment. Workgroups focused at future scanning and key investment strategy objectives reporting to the Management Board.
Maintaining the significance of Remgro's corporate presence in the investment holding environment as this enables it to acquire meaningful stakes in selected investment opportunities thereby striving vigorously to meet Remgro's investment philosophy of investing in businesses that can deliver superior earnings, cash flow generation and dividend growth over the long term.	A conservative business approach with long-term investment criteria focused on growth, sustainability and liquidity. Corporate actions are aligned with the long-term strategy and responsible investment criteria. Comprehensive networks and robust processes focused on investment opportunity identification, and risk-based due diligence reviews, guided by responsible investment considerations. Clear guidelines imbedded in the Investment Framework to ensure investment decisions, reviews and capital allocations are in line with ESG and sustainability goals. Effective functioning of the Investment Committee is supported by ensuring that consideration of ESG risks are integrated into investment and management practices. Investment Managers' Workshop series to engage on ESG. Introduction of a Standard Operating Procedure for investment managers to integrate ESG into their investment decisions, i.e., to operationalise the Responsible ESG Investment Framework. Effective investor relations and corporate communications. CEO forum with investee leadership participation to align and aggregate the impact of key initiatives, including CSI and ESG activities.

Key objectives	Key controls
Ensuring that opportunity risks are managed to avoid lost investment opportunities that meet Remgro's stringent investment criteria.	Skilled and experienced investment division with efficient operational processes and controls. Effective support structures and negotiation processes incorporating proven due diligence processes. Robust deal implementation and secretarial and legal support and compliance processes. Ensuring that the corporate culture of Remgro does not inhibit responsible risk and opportunities taking. Board oversight and executive monitoring of performance against investment plans and strategies. Review of processes to ensure enhanced agility in decision-making and execution.
Available liquidity to fund new investments and further support successful investments.	Effective functioning of the Treasury and Investment Committees. Conservative cash administration and well-managed and secure treasury environment whilst seeking return maximisation within risk appetite of cash at the centre. Maintaining appropriate borrowing facilities. Maintaining a strong balance sheet.
Effective Group structuring to house existing and new investments.	Appropriate control structures supported by skilled and experienced legal and corporate tax specialists.
Effective management of underlying investments and ensuring that Remgro's investment criteria are maintained and the Group's rights are protected.[1]	Comprehensive shareholder agreements are concluded at time of investment. This facilitates effective control or significant influence over the executive management teams in the underlying investee companies and ensures that strategies, goals and deliverables, including ESG standards and expectations are met and that salient risks are duly managed. Enhanced focus on human capital development and deployment coupled with detailed attention to investee companies. Detailed reporting, review and management structures are implemented to ensure timely, accurate and reliable information used in the decision-making processes. The early identification of abnormal investee risk profiles through internal processes.
Effective internal operations, including secretarial, financial, human resources, compliance and all other departmental activities in the service company and wholly owned subsidiaries under the control of the management of the service company.	Skilled and experienced managers regularly review policies and practices governing internal controls designed to ensure the consistent achievement of relevant objectives. Focus areas include, *inter alia*, cyber and fraud risk mitigation, enhanced effectiveness and efficiency through adoption of technological developments.

[1] *As stated in the "Group Profile" section of this report, Remgro is not involved in the day-to-day management of investee activities but does have non-executive representation on these autonomous boards via shareholder agreements. These bodies are responsible for risk management at investee level.*

Key objectives	Key controls
Given the significance of treasury, the following salient objectives are integrated into the Treasury Committee's (a management committee chaired by the Chief Financial Officer (CFO), also comprising the Chief Executive Officer (CEO) and other senior managers) mandate: • Liquidity requirements and risk appetite are formalised and linked to realised returns on treasury funds • Terms of trade with banks are reviewed to ensure appropriate risk sharing • Payment systems are secured and cyber risk mitigated • Information is secured and retained per policies • FAIS (Financial Advisory and Intermediary Services Act, (No. 37 of 2002)) and FICA (Financial Intelligence Centre Act, (No. 38 of 2001)) legislation is complied with • The following treasury risks are specifically managed: – Liquidity risk – Instrument risk (derivatives and component criteria) – Investment credit risk (credit limits and spread of cash between approved institutions) – Foreign currency risk (spread and composition of approved currency exposures) – Interest rate risk, and – Derivative instrument risk	A formalised Treasury Policy is maintained and reviewed by the Treasury Committee and amendments are submitted to the Board for approval. Skilled staff is employed in the treasury department and comprehensive internal controls are deployed and complied with. The treasury department is subject to quarterly FAIS and FICA reviews from the Financial Sector Conduct Authority (FSCA)-approved external compliance officer. In addition, the treasury department (back and front office) is subject to regular internal audit reviews and a year-end review by the external auditor. Continuous evaluation of suitable investment products within the ambit of the approved Treasury Policy.
Accurate, transparent and reliable reporting and interaction with stakeholders.	Formalised stakeholder and communication policies. Effective internal financial controls. Comprehensive combined assurance plans and processes, including non-financial and ESG information. Structured and considered integrated reporting, including consideration of international developments on external reporting frameworks on non-financial information. Adequate and transparent risk and opportunities disclosure and reporting. Reviewing the effective alignment of external reporting frameworks against international developments and frameworks. Effective functioning of the Audit and Risk Committee.
Full compliance with taxation and other relevant legislation and industry practices.	Employment of tax specialists and consultation with independent tax and legal professionals. Tax policy. Legal Compliance Policy linked to expert legal advice. Effective Compliance Policy and procedures.
Reliable and secure information and technology systems to support business objectives and requirements.	Effective outsource agreement with a credible vendor and service levels supporting cost-efficient, secure and available systems and networks. Technology and Information Governance Policy supported by procedures over key activities such as business continuity, information and cyber security, document retention and user acceptable usage policies, including POPIA requirements.

Risk tolerance levels

The Remgro Board has formalised and approved the risk tolerance levels to define the Board's risk appetite and to ensure that all risks within the Group are managed within the limits so defined.

Remgro, due to the nature of its core activities, deals with risk tolerance levels in the following three risk categories using dedicated and bespoke methodologies:

Investments

Risk tolerance levels are set in accordance with the cost of funding the investments (WACC) as adjusted with a risk weighting (Beta) to ensure a sustainable and positive risk-return environment, taking cognisance of the investment portfolio.

Treasury

Given the liquidity requirements to support performing investments and to seize new investment opportunities, the risk tolerance levels and linked returns for cash held in South Africa and internationally are measured in terms of lending rates achieved by major banks in the money market, including but not limited to STeFI (Short Term Fixed Interest) or LIBOR (London Interbank Offered Rate), as well as compliance with required credit ratings set for approved counterparties. This is continuously monitored and reassessed given prevailing market volatilities, risk and, at times, negative returns on cash in certain international money markets. Given the prevailing low interest rate environment during the first quarter of the reporting period, the Treasury Committee was furthermore tasked to recommend suitable investment instruments for cash at the centre to the Investment Committee or Board for consideration. Given the continuing trend in interest rate increases during the remainder of the reporting period consideration was also given to the cost of funding and adjusting the debt at the centre.

Foreign currency risk and capital preservation risk in an adverse economic climate are mitigated by means of conservative policies regarding hedging strategies and counterparty vetting.

The treasury funds are invested as per a Board-approved Treasury Policy which deals with counterparty (credit) risk, liquidity risk, interest rate risk, currency risk, instrument risk and commercial risk (terms of trade), as well as the policies deployed to safeguard cash and liquid assets.

Other

This category includes risks associated with unplanned losses to assets, exposure to liabilities, fidelity, business interruption and other operational risk.

In these instances the Board has, in addition to stringent internal controls, adopted a conservative approach by taking sufficient insurance cover to mitigate the anticipated maximum loss should risk realise in these categories.

Risk appetite

Risk appetite is defined as the risk that the Company is prepared or willing to accept without further mitigating action being put in place or the amount and nature of risk the Company is willing to accept in pursuit of objectives. This is also defined as the risk propensity of the Board in pursuing the creation of sustainable wealth.

The following qualitative and quantitative factors are considered by the Board in evaluating risk appetite:

- risk-return profile of the current investment portfolio;
- availability of cash resources and other liquid assets that could easily be converted into cash;
- available funding opportunities;
- risk-return profile of prospective opportunities;
- ESG profile of the current portfolio and investment sectors
- financial metrics relevant to measuring performance, including:
  - intrinsic net asset value (INAV);
  - return on INAV relative to comparable risk investments;
  - dividend policy;
  - free cash flow; and
  - gearing ratios;
- international and local economic cycles and trends;
- foreign currency rates and trends;
- materiality of risks with reference to the INAV of the Group;
- risk management capability and maturity;
- resource allocation and strategy; and
- risk scenarios on black-swan and future scanning methodologies.

Risk-bearing capacity

Risk-bearing capacity is defined as a monetary value which is used as a yardstick, measuring the maximum loss the Company can endure without exposing it to the point where its existence and going concern status is under threat, given an equivalent loss.

Given the nature of Remgro's INAV composition, i.e. equity investments, net excess cash and the conservative size of debt at holding company level, there are no known current exposures that could jeopardise the going concern status of the Group.

Unexpected or unusual risk experiences

The risk and opportunities management process is furthermore also externally focused to ensure the timely identification of new emerging risks and opportunities and the assessment of the effectiveness of timely responses thereto. Scenarios are furthermore used to assess the adequacy of the Company's business resilience.

Technology and information

The Company reviews its technology policies annually. The Technology and Information Governance Policy defines the scope, roles and responsibilities of technology and information governance to ensure technology and information supports and enables the achievement of Remgro's business objectives and articulates and gives effect to Remgro's direction on the employment of technology and information. This policy is further supplemented by governance-based policies such as the Technology and Information Acceptable Use Policy, the Information Security Policy and information confidentiality policies that are defined in alignment with POPIA.

The technology and information risk management process is fully integrated with the combined assurance process of the Company and aligned to COBIT (Control Objectives for Information and Related Technologies).

Preventative technologies and practices are in place across the respective layers of technology and information security, including physical intrusion prevention, infrastructure intrusion prevention and monitoring, platform controls, application-layer security, and process controls. The Security Operations Centre (SOC) service provider monitors and alerts against cyber activity and patterns. Weekly vulnerability assessments are included in the Standard Operating Procedures on top of which independent vulnerability scanning and penetration tests are conducted periodically. Security controls are also extensively scrutinised during the annual NIST-based (National Institute of Standards and Technology) cyber insurance reviews and our cyber security strategy is extended through the cyber insurance support processes.

There were no incidents of information security or cyber protocol breaches recorded during the year under review and continuous strengthening of the cyber security posture remains a high priority.

A business continuity plan has been formalised and successful tests performed on the back-up and disaster recovery process.

All technology-related incidents, including potential security incidents, are reported through the service desk from where the appropriate escalation process is triggered.

Third-party risk assessments are aligned with industry-related exposures and developments. Opportunity assessment forms part of the annual technology and information strategy review. Emerging technologies and innovations are monitored, selected and deployed as appropriate to improve performance of the organisation through information, communication, and digital technologies.

Legal compliance

The Board, as part of its ethical leadership commitment, approved a Legal Compliance Policy and confirmed that there are sufficient management capacity and controls in place to ensure compliance with all relevant laws and salient industry practices.

The administration of the Legal Compliance System is vested in an official with the appropriate legal qualifications. Members of senior management of the Company are informed on a regular basis of all relevant new legislation and amendments.

Compliance controls also vest with senior management who are required to report to the Social and Ethics Committee on a regular basis regarding their compliance using a control self-assessment methodology. This process is incorporated into the annual combined assurance plan. The outcomes of compliance assessments are reported to the Board, via the ROTIG Committee and no incidents of non-compliance or fines incurred due to non-compliance were recorded.

Internal control and internal audit

The Group has implemented and maintained a sound control environment, including a comprehensive system of internal controls to mitigate the risks in the enterprise and to ensure that the Group's objectives are consistently achieved. Internal controls are based on the principle of acceptable risk being inherent to the design and implementation of a cost-effective system of internal control. The system includes monitoring mechanisms and mitigation processes to timely augment deficiencies when they are detected. This system is benchmarked against the COSO Internal Control – Integrated Framework.

The internal audit function is employed by Remgro Management Services Limited and the CAE, Mr Deon Annandale, reports to the chairman of the Audit and Risk Committee and functionally to the CFO. The department complies with the requirements of King IV and the International Standards for the Professional Practice of Internal Auditing. The department maintains a three-tier Quality Assurance and Improvement Programme as prescribed by the Institute of Internal Auditors. This comprises a continuous self-assessment process with Independent External Assessments being performed by an international external audit firm, other than the Group's external auditors, every three years.

The internal audit plans, as approved by the Audit and Risk Committee, are designed following a risk-based assurance approach and are focused on adding value to the control environment while rendering independent assurance to the Audit and Risk Committee and to the Board on, *inter alia*: the effectiveness of internal financial control; the effectiveness of internal control over operational and compliance activities; the adequacy of governance systems, including the "tone at the top"; the effectiveness of the combined assurance process and risk and opportunities management process.

The function is furthermore strategically aligned to the creation and preservation of value and rendering insight into emerging risk.

The internal audit department also renders independent internal audit and risk and opportunities management services to certain Group companies who elect to outsource the function. In these instances dedicated processes are maintained to ensure the independent functioning of the department, including its fiduciary duty to the respective Group companies and the safeguarding of their proprietary information.

When required, specialist skills are insourced to assist with information technology and forensic services.

Effectiveness of risk and opportunities management process and system of internal control

The Board, via the Audit and Risk Committee, has considered the documented policies, procedures and independent assurance reports and is satisfied that the control environment along with the internal control and risk and opportunities management processes implemented in the Group are effective.

The Board is not aware of any exposure or position that could culminate in the residual risk profile of the Group exceeding the risk-bearing capacity limits set by the Board.

Overview of focus areas

The following comprised focus areas during the year under review:

- The Russia-Ukraine War, and related implications, including business resilience;
- Emerging risks including global and local political and socio-economic developments and trends including crime, corruption and infrastructure and electricity stability;
- Robustness of fraud prevention and detection processes given the magnitude and prevalence of non-Remgro reported irregularities in the press;
- Developments in international financial reporting standards and ESG reporting frameworks;
- Auditor rotation developments and reputation damage suffered by certain audit firms;
- Material transactions in the financial year;
- Effectiveness of the risk and opportunities and combined assurance processes;
- Opinions on the effectiveness of the control environment and internal financial control;
- External benchmarking of the Treasury Policy against international best practice;
- Terms and assurance plans of both internal and external audit;
- External reporting, both financial and non-financial;
- Assessment of the CFO, finance department and CAE;
- Technology and information governance, including Cyber risk; and
- ESG and sustainability-related factors.

The above aspects will be repeated in the agenda as regards focus areas given the Group's Governance Standards and aligned committee mandate.

SOCIAL AND ETHICS Committee Report

The Social and Ethics Committee (the committee) assists the Board in overseeing and reporting on Remgro's ethics, responsible corporate citizenship, sustainable development, legal compliance and stakeholder relationships. In doing so, the committee works closely with the Strategic ESG Committee, which oversees linkages between its own remit and those of other Board Committees, including this committee, which reports separately (see below). This report by the committee is prepared in accordance with the requirements of the Companies Act (No. 71 of 2008), as amended (Companies Act), and the King IV Report on Corporate Governance for South Africa (2016) (King IV), and describes, *inter alia*, how the committee has discharged its statutory duties in terms of the Companies Act and its additional duties assigned to it by the Board in respect of the financial year ended 30 June 2023.

Committee members and attendance at meetings

The committee comprises five suitably skilled and experienced members appointed by the Board, the majority of whom are, as recommended in King IV, neither involved in the day-to-day management of Remgro's business nor been involved at any time during the previous three financial years. The members of the committee for the year under review are set out in the table below. The Chairman of the committee is Mr Murphy Morobe, an independent non-executive director. In terms of the committee's charter, at least two meetings should be held during each financial year.

Composition of the committee

Committee member[1]	Number of meetings held	Number of meetings attended
M Morobe (Chairman)	3	3
S E N De Bruyn	3	3
N P Mageza	3	3
P R Louw	3	3
P J Uys	3	3

(1) *Abridged curriculum vitae of all the directors of the Company are set out on pages 90 to 93 of the Integrated Annual Report, while the qualifications of Messrs P R Louw and P J Uys (who are members of the Management Board and also prescribed officers in terms of the Companies Act) are presented on page 95.*

Role and responsibilities

The committee's role and responsibilities are governed by a formal charter as approved by the Board. The charter is subject to an annual review by the Board.

The main objectives of the committee are to assist the Board in monitoring the Group's performance in respect of ethics, responsible corporate citizenship, sustainable development, compliance and stakeholder relationships. This is done by, *inter alia,* monitoring many of the key sustainable development practices of the Group as set out below, thereby assisting the Board in achieving its objectives of doing business ethically and sustainably.

Remgro's main wholly owned operating subsidiaries are Wispeco Holdings Proprietary Limited (Wispeco) and Siqalo Foods Proprietary Limited (Siqalo Foods). Both Wispeco and Siqalo Foods have established their own social and ethics committees which operate independently from this committee. Remgro's representatives on the boards of Wispeco and Siqalo Foods also have standing invitations to attend the meetings of those committees, *ex officio*. The minutes of these companies' meetings, as well as those of the social and ethics committees of Distell Group Holdings Limited (Distell) and RCL Foods Limited (RCL Foods) were included in the agenda of the committee as a standing item. During the year under review, the aforementioned companies also submitted reports (where applicable) of their respective social and ethics committees' activities to this committee.

On 26 April 2023, the Heineken International B.V. Southern African business, including an interest in Namibia Breweries Limited, combined with the bulk of the Distell business (consisting of its cider, other RTDs (ready-to-drink) and spirits and wine business) in Heineken Beverages Holdings Limited (Heineken Beverages). Remgro received a 15.5% interest in Heineken Beverages and has subsequently increased its interest to 18.8%. Distell simultaneously unbundled its subsidiary, Capevin Holdings Proprietary Limited (Capevin), which held Distell's remaining assets, including its Scotch whisky business, and Remgro received an economic interest of 31.4% (a voting interest of 55.9%) in Capevin. As a result of this transaction, Distell will no longer submit reports to this committee, but Capevin, which is now a subsidiary of Remgro, will provide similar reports to this committee in due course.

Furthermore, during the year under review, Mediclinic Group Limited and Community Investment Ventures Holdings Proprietary Limited made presentations to the committee and reported specifically on the social and ethics governance activities of their respective businesses.

The committee is satisfied that it has fulfilled all its duties in accordance with its annual programme, as further detailed below.

Policy review

The committee is responsible for developing and reviewing the Group's policies with regard to the commitment, governance and reporting of the Group's key social and ethical performance and for making recommendations to management and/or the Board in this regard. During the year under review, the committee reviewed its charter, as well as the Company's Code of Ethics, Gifts Policy, Social Media Policy, HIV/Aids Policy and Safety, Health and Environmental Management Policy.

Monitoring of sustainable development practices

Remgro's overall Environmental, Social and Governance (ESG) performance is now overseen and monitored at Board level and by the Strategic ESG Committee. The implementation of an ESG Charter and governance structures provide strategic direction and oversight in support of Remgro's commitment and that of its investee companies in relation to ESG. The Board and Strategic ESG Committee monitor Remgro's ESG performance and stewardship through policies, frameworks, standards and guidelines. These include those of the Social and Ethics Committee.

The Strategic ESG Committee is also responsible for the integration of ESG policies into the business operations, the Charters of other Board Committees, as well as Remgro's future development and strategy.

In the execution of its duties, the committee has reviewed many of the key sustainable development practices of the Group, specifically relating to:

- responsible investment policy and framework
- ethics and compliance;
- corporate social investment;
- stakeholder relations;
- broad-based black economic empowerment;
- health and public safety;
- labour relations and working conditions;
- training and skills development;
- management of the Group's environmental impacts; and
- human rights and anti-child labour principles.

The committee's oversight role also includes the monitoring of any relevant legislation, other legal requirements or prevailing codes of best practice, specifically with regard to matters relating to social and economic development, good corporate citizenship, employment equity, the environment, health and public safety, consumer relationships, as well as labour and employment and overall ESG matters.

The ESG and Sustainability Report provides a full understanding of Remgro's efforts to contribute to measurable and positive social and environmental impact, whilst fostering financial returns to achieve its ambitions to maximise value creation for all its stakeholders, while doing business sustainably. For the first time this year, Remgro will publish disclosures aligned to the Task Force on Climate-Related Disclosures (TCFD) framework recommendations on the Company's website at www.remgro.com.

The committee further monitors Remgro's participation and results achieved in external surveys in respect of any ESG and sustainability aspect pertaining to the Group. In this regard the committee noted the external recognition and achievements by the Group, as reported on page 68 of the Integrated Annual Report.

Public reporting and assurance

The committee, together with the Audit and Risk Committee, is responsible for reviewing and recommending for approval the annual sustainability content included in the Integrated Annual Report and published on the Company's website at www.remgro.com. The committee is also involved in determining and making recommendations on the need for external assurance of the Group's public reporting on key elements of its sustainable development performance. To this extent, the committee has reviewed the content of the Abridged ESG and Sustainability Report included in the Integrated Annual Report and the detailed ESG and Sustainability Report published on the Company's website at www.remgro.com, and recommended it for approval by the Board.

The committee is also required to report through one of its members to the Company's shareholders on the matters within its mandate at the Company's Annual General Meeting to be held on 4 December 2023. In the notice of the Annual General Meeting included in the Integrated Annual Report on page 170, shareholders are referred to this report by the committee, read with the detailed ESG and Sustainability Report published on the Company's website at www.remgro.com. Any specific questions to the committee may be sent to the Company Secretary prior to the meeting. Committee members will be attending the Annual General Meeting to deal with any questions.

Murphy Morobe
Chairman of the Social and Ethics Committee

Stellenbosch
20 September 2023

FINANCIAL report

Our portfolio continued to deliver a resilient set of results despite the impact of a subdued macroeconomic environment, underpinned by our strong capital allocation strategy.

STATEMENT OF RESPONSIBILITY by the Board of Directors

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the Annual Financial Statements included in this Integrated Annual Report.

The Annual Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the South African Companies Act (No. 71 of 2008), as amended (Companies Act), on the going concern basis and incorporate full and responsible disclosure. The Annual Financial Statements are based upon appropriate accounting policies and supported by reasonable and prudent judgements and estimates. The financial statements have been prepared under the supervision of the Chief Financial Officer (CFO), Neville Williams CA(SA).

The directors are satisfied that the information contained in the financial statements fairly represents the results of operations for the year and the financial position of the Remgro Group at year-end. The accuracy of the other information included in the Integrated Annual Report was considered by the directors and they are satisfied that it accords with the financial statements. The Board also confirms its compliance with the Companies Act and the Company's Memorandum of Incorporation for the reporting period.

The directors are also responsible for the Remgro Group's system of internal financial controls. The system was developed to provide reasonable, but not absolute, assurance regarding the reliability of the financial statements, the safeguarding of assets and to prevent and detect misrepresentation and losses.

The directors are of the opinion that the Remgro Group will continue as a going concern in the future.

The financial statements were audited by the independent auditor, PricewaterhouseCoopers Inc., to whom unrestricted access was given to all financial records and related information. The auditor's report is presented on page 11 of the comprehensive Annual Financial Statements that is published on the Company's website at www.remgro.com.

Signed on behalf of the Board of Directors.

Johann Rupert
Chairman

Jannie Durand
Chief Executive Officer

Stellenbosch
20 September 2023

RESPONSIBILITY STATEMENT of the CEO and CFO

Each of the directors, whose names are stated below, hereby confirm that –

- the Annual Financial Statements set out on pages 20 to 130 of the comprehensive Annual Financial Statements that is published on the Company's website at www.remgro.com, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the Annual Financial Statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the Annual Financial Statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the Audit and Risk Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

Jannie Durand
Chief Executive Officer

Neville Williams
Chief Financial Officer

Stellenbosch
20 September 2023

STATEMENT BY THE Company Secretary

I, Danielle Ivelene Dreyer, being the Company Secretary of Remgro Limited, hereby certify that all returns and notices of Remgro Limited required in terms of the Companies Act (No. 71 of 2008), as amended, have in respect of the year under review been filed with the Companies and Intellectual Property Commission and that all such returns and notices appear to be true, correct and up to date.

Danielle Dreyer
Company Secretary

Stellenbosch
20 September 2023

AUDIT AND RISK Committee Report to the shareholders of Remgro Limited

This report by the Audit and Risk Committee (the committee), as appointed by the shareholders in respect of the year under review, is prepared in accordance with the principles of the King IV Report on Corporate Governance for South Africa (2016) (King IV) and the requirements of the Companies Act (No. 71 of 2008), as amended (Companies Act), and describes how the committee has discharged its statutory duties in terms of the Companies Act and its additional duties assigned to it by the Board in respect of the financial year ended 30 June 2023.

Committee members and attendance at meetings

The committee comprises four independent non-executive directors (as set out in the table below) and is chaired by Ms Sonja De Bruyn. All the committee members are suitably skilled and experienced. In terms of the committee's mandate, at least four meetings should be held annually.

Composition of the committee

Committee member[(1)]	Number of meetings held	Number of meetings attended
S E N De Bruyn (Chairman)	4	4
N P Mageza	4	4
P J Moleketi	4	4
F Robertson	4	4

(1) *Brief curricula vitae of these directors are set out on pages 91 to 92. As is evident from the curricula vitae of these directors, all of them are financial and/or industry experts.*

The Chief Executive Officer, Chief Financial Officer (CFO), head of internal audit, other members of senior management and representatives of the external auditor of the Company attend the committee meetings by invitation. Committee agendas provide for confidential meetings between committee members and the internal and external auditors, as well as management.

Role and responsibilities

The committee's role and responsibilities include its statutory duties as per the Companies Act, as well as the responsibilities assigned to it by the Board. The responsibilities of the Audit and Risk Committee are codified in a formal Terms of Reference, which is reviewed at least annually and which is available on Remgro's website at www.remgro.com. During the year under review, the Board reviewed the Terms of Reference of the Audit and Risk Committee, in light of the principles and recommended practices of King IV.

The committee is satisfied that it has fulfilled all of its duties during the financial year under review, as further detailed below.

The committee has also satisfied itself that there are effective boards and audit committees (where applicable) functioning at Remgro's significant operating subsidiaries (RCL Foods Limited (RCL Foods), Siqalo Foods Proprietary Limited (Siqalo Foods), Wispeco Holdings Proprietary Limited (Wispeco) and Capevin Holdings Proprietary Limited (Capevin)), associates and joint ventures, whose minutes of meetings held are also included in the committee's agenda.

More information about the functioning of the committee and the matters dealt with in this report can be found in the Corporate Governance Report and in the Risk and Opportunities Management Report on page 76 and 122.

Statutory duties

In its execution of its mandate, the committee has performed the following statutory duties:

- Nominated PricewaterhouseCoopers Inc. (PwC) (with Ms Rika Labuschaigne as designated partner), who, in the opinion of the committee, is independent of the Company, to the shareholders for appointment as the external auditor for the financial year ended 30 June 2023
- Determined the fees to be paid to the external auditor and their terms of engagement
- Ensured that the appointment of the external auditor complies with the provisions of the Companies Act and any other legislation relating to the appointment of auditors
- Determined the nature and extent of any non-audit services that the external auditor may provide to the Company and its wholly owned subsidiaries administered by Remgro Management Services Limited (RMS)
- Pre-approved any proposed agreement with the external auditor for the provision of non-audit services to the Company and its wholly owned subsidiaries administered by RMS

External audit

The committee is satisfied that the Company's external auditor, PwC, is independent of the Company and is therefore able to conduct its audit functions without any influence from the Company. The designated external audit partner rotates every five years.

PwC has been the auditor of the Company for 55 years. The business of the Company was previously transacted through Rembrandt Group Limited of which, based on available statutory records, PwC and its predecessor firms have been the external auditor for 75 years. The committee is satisfied with PwC's independence from the Company, notwithstanding its tenure as external auditor.

PwC has confirmed its compliance with the ethical requirements regarding independence and is considered independent with respect to the Group as required by the codes endorsed and administered by the Independent Regulatory Board for Auditors (IRBA), the South African Institute of Chartered Accountants and the International Federation of Accountants. As required by section 3.84(g)(iii) of the JSE Listings Requirements, the committee obtained the information listed in paragraph 22.15(h) of the JSE Listings Requirements and satisfied itself that the external auditor and audit partner for the year under review, Ms Rika Labuschaigne, have the necessary experience, accreditation and are suitable for re-appointment. The committee is also satisfied that Ms Rika Labuschaigne is not on the JSE's list of disqualified individuals.

Following a comprehensive tender process during the 2021 financial year, the Audit and Risk Committee recommended to appoint Ernst & Young Inc. (EY) as the new external auditor of Remgro, with effect from the financial year ending 30 June 2024. An indicative non-binding advisory vote to appoint EY, with effect from the 2024 financial year, was tabled at Remgro's Annual General Meeting (AGM) held on 25 November 2021. At the meeting, 99.72% of the ordinary shareholders, which excludes the votes of the B ordinary shareholders, voted in favour of the appointment of EY, with effect from the 2024 financial year. Therefore the committee nominated, for approval at the AGM on 4 December 2023, EY as external auditor and Mr Malcolm Rapson as audit partner for the 2024 financial year. The committee is satisfied that Mr Malcolm Rapson is not on the JSE's list of disqualified individuals.

A formal policy governs the process whereby the external auditor of the Company is considered for non-audit services. In terms of the policy, the committee is responsible for determining the nature and extent of any non-audit services that the external auditor may provide and to pre-approve any proposed contract with the external auditor for the provision of non-audit services. For the year under review, non-audit services related mainly to normal tax services. The extent of these services was within the committee's pre-approved amount.

Internal financial control and accounting systems

The committee is responsible for assessing the systems of internal financial controls and accounting systems of the Company and its wholly owned subsidiaries administered by RMS. In this regard the committee evaluated reports on the effectiveness of the systems of internal financial controls conducted by the internal audit function, considered information provided by management and held discussions with the external auditor on the results of their audit. The committee is of the opinion that the systems of internal financial controls are effective and form a basis for the preparation of reliable financial statements. In support of the aforementioned, the committee also received reports from the internal audit function regarding the effectiveness of the combined assurance process and anti-corruption, fraud prevention and detection measures in place.

The Remgro executives serving on the boards of investee companies (RCL Foods, Siqalo Foods, Wispeco, Capevin and associates and joint ventures) are responsible for enabling the Company's influence to ensure that effective internal controls are implemented and complied with.

Expertise and experience of the CFO and finance function

The committee has considered and satisfied itself with the appropriateness of the expertise and experience of the CFO, Mr Neville Williams, whose *curriculum vitae* appears on page 93 of the Integrated Annual Report.

The committee has furthermore considered and satisfied itself with the appropriateness of the expertise and adequacy of resources of the Company's finance function, and the experience of the senior members of management responsible for the financial function.

Financial statements and going concern

The committee has reviewed the standalone and consolidated financial statements of the Company, and is satisfied that they comply with International Financial Reporting Standards (IFRS) and the Companies Act, and that the accounting policies used are appropriate. In particular, the committee considered the following significant matters, identified by the management team and the external auditor, and is satisfied that these matters have been appropriately accounted for in the Annual Financial Statements:

- ### Valuation of investments and consideration of possible impairments or reversal of impairments of investments and assets

  The intrinsic net asset value (INAV) is one of the measures used to assess shareholder value created. Investee companies, which represent operating segments, are valued and included in the INAV. The investments in Mediclinic Group Limited (Mediclinic), which was previously listed, and Heineken Beverages Holdings Proprietary Limited (Heineken Beverages) were valued as unlisted investments for the first time in this regard. Due to the significant contribution of the investment in Mediclinic to Remgro's INAV, Remgro engaged the services of an independent expert to perform the valuation of its investment in Mediclinic. The valuation methodology used for the Mediclinic investment was the sum-of-the-parts methodology, which was underpinned by the discounted cash flows of the underlying businesses. Given the short period since the Distell/Heineken transaction implementation, the Heineken Beverages investment was valued using the price of recent investment (PRI) methodology, since limited integration has taken place as at 30 June 2023 and reliable consolidated forecast information is also limited. Going forward and consistent with Remgro's valuation approach, it is most likely that a different valuation methodology be used, for example the discounted cash flow (DCF) methodology. In such an instance, various discounts (lack of marketability, lack of control and forecast risk) would be applicable, which could affect the valuation in future. The committee considered the methodologies, assumptions and judgements applied by management in determining the fair value of investments and is satisfied that the approach taken was appropriate.

  The committee further considered the methodologies, assumptions and judgements applied by management in determining the impairment of investments and assets, of which the carrying values exceed the fair values, and is satisfied that the approach taken was appropriate. The most significant investments and assets tested in this regard being Remgro's investment in Heineken Beverages and the goodwill and indefinite life intangible assets that originated from the acquisition of Siqalo Foods, respectively.

  The committee also considered the methodologies, assumptions and judgements applied by management in determining the reversal of previous impaired or partially impaired investments, of which the fair values exceed the carrying values, and is satisfied that the approach taken was appropriate. The most significant investment tested in this regard being Remgro's investment in Mediclinic.

  Refer to notes 2, 4.4 and 10.3 to the Annual Financial Statements that is published on the Company's website at www.remgro.com for further details.

- ### Accounting for equity accounted investments

  The Company holds significant investments which are equity accounted for in terms of *IAS 28: Investments in Associates and Joint Ventures*. Some of the equity accounted investments have year-ends which are non-coterminous with that of the Company, the most significant investments in this regard being Mediclinic and Community Investment Ventures Holdings Proprietary Limited (CIVH). These investments are equity accounted from results for a financial period ended within three months from the Group's financial year-end.

Significant transactions that occur after the equity accounted investments' period-end, but before the Group's year-end, are accounted for in Remgro's consolidated financial statements. Significant adjustments for the current year related to dividends received from equity accounted investments, the acquisition of an additional 5.4% indirect interest in Mediclinic during June 2023, including the provision for transaction costs incurred, and the conversion of Mediclinic's financial information from its presentation currency (British pound) to the Group's presentation currency as at 30 June 2023. The committee considered these transactions and is satisfied with the accounting treatment thereof. Refer to note 4.1 to the Annual Financial Statements that is published on the Company's website at www.remgro.com for further details.

- ### Accounting for the investments in Heineken Beverages and Capevin

  On 26 April 2023, the Heineken International B.V. Southern African business, including an interest in Namibia Breweries Limited, combined with the bulk of the Distell business (consisting of its cider, other RTDs (ready-to-drink) and spirits and wine business (In-scope assets)) in Heineken Beverages. Remgro received a 15.5% interest in Heineken Beverages and has subsequently increased its interest to 18.8%. Distell simultaneously unbundled its subsidiary, Capevin, which held Distell's remaining assets, including its Scotch whisky business, and Remgro received an economic interest of 31.4% in Capevin. Remgro has significant influence over Heineken Beverages through its board representation and the investment is classified as an associate and is accounted for using the equity method. Remgro's shareholding in Capevin mirrors the shareholding that was previously held in Distell, being an economic interest of 31.4% and a voting interest of 55.9%. Therefore, the Capevin investment remains classified as a subsidiary. The transaction had a pervasive impact on the Annual Financial Statements, as the carve-out of the In-scope assets resulted in the recognition of a significant profit on disposal, as well as the presentation of discontinued operations, which required a restatement of the prior year's income statement and related notes.

  The committee considered the assumptions and key judgements made by management in accounting for the investments in Heineken Beverages and Capevin and is satisfied with the accounting treatment thereof. Refer to note 1(1) to the Annual Financial Statements that is published on the Company's website at www.remgro.com for further details.

- ### Going concern

  The committee has reviewed a documented assessment by management of the going concern premise of the Company. Based on the facts and circumstances known, management and the committee determined that there is not a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern, and therefore the committee recommended to the Board that the Company will be a going concern for the foreseeable future.

Risk and opportunities management

The committee has assigned oversight of the risk and opportunities management function to the Risk, Opportunities, Technology and Information Governance Operational Subcommittee (the ROTIG Committee), which is a subcommittee of the committee. The mandate of the ROTIG Committee includes the maintenance of the Risk Management and Opportunities Policy and plan, establishment of an operational Risk and Opportunities Register, technology and information risk management, legal compliance and occupational health and safety. The ROTIG Committee is chaired by the CFO and the 15 other members are all senior managers of the Company. The chairman of the committee has a standing invitation to attend the ROTIG Committee meetings as an *ex officio* member to ensure the effective functioning of the ROTIG Committee and that appropriate risk information is shared with the committee.

Internal audit

The Company's internal audit division is an effective, independent appraisal function and forms an integral part of the Enterprise-wide Risk and Opportunities Management system that provides assurance on the effectiveness of the Company's system of internal control. The committee has appointed Mr Deon Annandale as Remgro's Chief Audit Executive (CAE). The committee is satisfied with the attributes, objectivity and independence of the CAE, and that the CAE has the necessary experience, gravitas and competence. The internal audit division of the Company is staffed by qualified and experienced personnel and services all of Remgro's wholly owned subsidiaries administered by RMS, as well as Wispeco. In addition, the internal audit division also performs independent internal audit work for other investee companies such as CIVH, OUTsurance Group Limited, SEACOM Capital Limited and Business Partners Limited.

During the year under review the committee considered and recommended the internal audit charter for approval by the Board. The committee further considered the internal audit quality assurance plan and the performance of the internal audit function, and is satisfied that the internal audit function conforms to a recognised industry code of ethics and standards. Further details on the Group's internal audit functions are provided in the Risk and Opportunities Management Report on page 122.

Compliance

The committee is responsible for reviewing any major breach of relevant legal and regulatory requirements. The committee is satisfied that there has been no material non-compliance with laws and regulations during the year under review.

The committee is also satisfied that it has complied with all its legal, regulatory and other responsibilities during the year under review.

Recommendation to the Board

The committee has reviewed and considered the Integrated Annual Report, including the comprehensive Annual Financial Statements published on the Company's website at www.remgro.com, and has recommended it for approval by the Board.

Sonja De Bruyn
Chairman of the Audit and Risk Committee

Stellenbosch
20 September 2023

REPORT OF THE Board of Directors
for the year ended 30 June 2023

Dear Shareholder

The Board has pleasure in reporting on the activities and financial results for the year under review.

Nature of activities

The Company is an investment holding company. Cash income is derived mainly from dividends and interest. The consolidated Annual Financial Statements of the Company and its subsidiaries also incorporate the equity accounted attributable income of associates and joint ventures.

The Group's interests consist mainly of investments in healthcare; consumer products; financial services; infrastructure, industrial and media interests.

Results

Year ended	**30 June 2023**	30 June 2022
Headline earnings (R million)	**7 056**	6 494
– per share (cents)	**1 254**	1 151
– diluted (cents)	**1 244**	1 141
Earnings – net profit for the year (R million)	**9 624**	13 139
– per share (cents)	**1 710**	2 328
– diluted (cents)	**1 696**	2 313
Dividends (R million)*	**1 364**	852
– ordinary – per share (cents)	**240**	150

* *A final dividend of 160 cents (2022: 100 cents) per share was declared after the year-end and was therefore not provided for in the Annual Financial Statements. The final dividend is subject to dividend tax.*

Investment activities

The material investment activities during the year under review were as follows:

Mediclinic Group Limited (Mediclinic)

On 26 September 2022, the Mediclinic shareholders voted in favour of a cash offer by Manta Bidco Limited (Bidco), a newly formed company which is jointly owned by Remgro and MSC Mediterranean Shipping Company SA (MSC), to acquire the entire issued and to be issued ordinary share capital of Mediclinic, other than the Mediclinic shares Remgro already owned (the Mediclinic acquisition). The last conditions precedent in respect of the Mediclinic acquisition were met during May 2023 and on 6 June 2023 Mediclinic shareholders received 501 pence per Mediclinic share, being the offer price of 504 pence per Mediclinic share less the dividend of 3 pence per Mediclinic share that was paid on 26 August 2022.

To enable the Mediclinic acquisition, Remgro sold its existing 328 497 888 Mediclinic shares (representing an interest of 44.6%) to Bidco in exchange for shares in Bidco and subscribed for further shares in Bidco amounting to £221 million (representing an additional indirect interest in Mediclinic of 5.4% and approximately 50% of Bidco's transaction costs). MSC also subscribed for shares in Bidco amounting to £1 867 million (representing an indirect interest in Mediclinic of 50% and 50% of Bidco's transaction costs).

As both Remgro's investments in Mediclinic (associate) and Bidco (joint venture) are accounted for using the equity method, Remgro effectively ceased the equity accounting of its 44.6% interest in Mediclinic at the end of May 2023 and commenced with the equity accounting of its 50% indirect interest in Mediclinic, through its 50% interest in Bidco. Bidco made fair value adjustments to Mediclinic's statement of financial position when it acquired its 100% stake in Mediclinic. These fair value adjustments mainly relate to the Mediclinic properties and the Mediclinic brand in South Africa and the Middle East. Going forward, Remgro will account for depreciation and amortisation on these additional assets identified, inside headline earnings. The additional depreciation and amortisation will only relate to Remgro's newly acquired 5.4% indirect interest in Mediclinic as Remgro already owned the 44.6% interest.

Distell Group Holdings Limited (Distell)

On 15 February 2022, the Distell shareholders approved the combination of the Heineken International B.V. (Heineken) Southern African business, including an interest in Namibia Breweries Limited (Namibia Breweries), with the bulk of the Distell business (consisting of its cider, other RTDs (ready-to-drink) and spirits and wine business) in Heineken Beverages Holdings Limited (Heineken Beverages), a new unlisted entity controlled by Heineken. The transaction included the unbundling by Distell of the unlisted shares in Distell's subsidiary, Capevin Holdings Proprietary Limited (Capevin), which holds Distell's remaining assets, including its Scotch whisky business. The transaction, which was implemented on 26 April 2023, also included an offer by Heineken Beverages to Distell shareholders to acquire their Distell shares for R165 per share and/or unlisted shares in Heineken Beverages, or a combination thereof (subject to a potential scaling back of the issue of Heineken Beverages shares to Distell shareholders, electing to receive Heineken Beverages shares, to ensure a 65% shareholding by Heineken in Heineken Beverages), and an offer by Heineken to Distell shareholders to acquire their Capevin shares for R15 per share.

Remgro elected to receive Heineken Beverages shares for its Distell shares. However, as a result of the scale back, Remgro sold 7 607 803 Distell shares to Heineken Beverages on 26 April 2023 for R1 255 million (being R165 per Distell share) and exchanged the remaining 62 242 453 Distell shares for 62 242 453 Heineken Beverages shares (representing an interest of 15.5%). Following the implementation of the transaction, Remgro acquired a further 13 218 475 shares in Heineken Beverages for R2 181 million (or R165 per share excluding transaction costs), in a series of off-market transactions. These transactions increased Remgro's interest in Heineken Beverages to 18.8%. As Remgro has significant influence over Heineken Beverages through its board representation, the investment is classified as an associate and is accounted for using the equity method. Both Remgro and Heineken Beverages made fair value adjustments to the statements of financial position of Heineken Beverages and Distell and Namibia Breweries, respectively.

These fair value adjustments mainly relate to the various brands held by these companies (*inter alia Savanna, Heineken, Amstel, Windhoek Lager* and *Amarula*), as well as Distell's properties and inventory. Going forward, Remgro will account for depreciation and amortisation on these additional assets identified, inside headline earnings.

Remgro did not accept the cash offer made by Heineken for the Capevin shares and, as a result, Remgro's shareholding in Capevin mirrors the shareholding that was previously held in Distell, being an economic interest of 31.4% and a voting interest of 55.9%. Therefore, the Capevin investment remains classified as a subsidiary.

Community Investment Ventures Holdings Proprietary Limited (CIVH)

As previously reported, Vodacom Proprietary Limited (Vodacom) will, through a combination of assets of approximately R4.2 billion and cash of at least R6.0 billion, acquire up to 40% of the ordinary shares of a newly created wholly owned subsidiary of CIVH (namely Maziv Proprietary Limited (Maziv)). Maziv holds *inter alia* CIVH's current interests in Vumatel and DFA. As a result of the proposed transaction, Remgro's indirect interest in DFA and Vumatel will dilute with the entrance of Vodacom as a shareholder, however Remgro will also obtain an indirect interest in the assets contributed by Vodacom. During August 2023, The Competition Commission South Africa announced its non-binding recommendation to the Competition Tribunal, to prohibit the proposed transaction. Remgro and CIVH remain committed to the proposed transaction and firmly believe that, should the implementation of the proposed transaction ultimately be permitted by the Competition Tribunal, it will deliver significant benefits to South African consumers and the broader economy.

Grindrod Limited (Grindrod)

On 17 October 2022 Remgro unbundled its investment in Grindrod to its shareholders as a dividend *in specie* amounting to R1 640 million, in the ratio of 30.70841 Grindrod shares for every 100 Remgro shares held.

FirstRand Limited (FirstRand)

During July 2022 Remgro sold 19.2 million FirstRand shares for R959 million (being R49.945 per FirstRand share). These FirstRand shares were part of the 60 million FirstRand shares that were hedged through a series of options, which became exercisable during June and July 2022. Remgro sold the 60 million FirstRand hedged shares to net settle the option liabilities. The other 40.8 million FirstRand shares were sold during June 2022.

During November 2022, Remgro entered into another hedging transaction on 30 million FirstRand shares. This narrow zero cost collar has a two-year term, with a reference price set at R67.37 per FirstRand share, providing protection at 95% of this reference price (or R64.00), with a call strike at 115.72% (or R77.96). At the same time, Remgro entered into a script lending transaction to optimise the pricing of the narrow zero cost collar. Remgro will be allowed to vote with these shares at the FirstRand Annual General Meeting(s) and is entitled to dividends declared at pre-contracted levels. The FirstRand shares are hedged on a 1:1 basis and the narrow zero cost collar is recognised at fair value with changes in the fair value accounted for in other comprehensive income.

During March 2023, Remgro entered into a further hedging transaction on another 30 million FirstRand shares on similar terms as the narrow zero cost collar mentioned above, but with a reference price set at R67.02 per FirstRand share, providing protection at 95% of this reference price (or R63.67), with a call strike at 114.00% (or R76.40). The levels for the pre-contracted dividends were increased from those set during November 2022.

At 30 June 2023, the narrow zero cost collars were in a liability position amounting to R92 million.

Asia Partners Funds

During the year under review Remgro invested a further $1 million in Asia Partners I LP (Asia Partners I), thereby increasing its cumulative investment to $20 million. Remgro also made an initial investment of $8 million in Asia Partners II LP (Asia Partners II) to which Remgro committed to invest up to a maximum of $50 million (limited to 10% of the total fund size, which 10% stood at $41 million as of 30 June 2023). As at 30 June 2023 the fair values of Remgro's investments in Asia Partners I and Asia Partners II amounted to $28 million and $7 million, respectively, and the remaining commitments to the funds amounted to $5 million and $33 million, respectively.

Milestone China Funds

As at 30 June 2023, Remgro's total investment in Milestone China Opportunities Fund III (Milestone III) amounted to $102 million. During the year under review Remgro received distributions of $9 million from Milestone III, thereby increasing its cumulative distributions received to $98 million. As at 30 June 2023 the fair value of Remgro's investment in Milestone III amounted to $39 million.

Milestone Capital Investments Holding Limited (MCIH) is the fund management company of the Milestone China Funds. During December 2022, Remgro entered into an agreement to dispose of its investment in MCIH for $7.3 million. The proceeds and past distributions received from MCIH equal Remgro's initial investment in the company.

Pembani Remgro Infrastructure Fund (PRIF)

During the year under review Remgro invested a further R57 million in PRIF and received distributions of R485 million (mainly due to the disposal of PRIF's investment in ETG Group), thereby increasing its cumulative investment to R634 million and cumulative distributions received to R832 million. As at 30 June 2023, the fair value of Remgro's investment in PRIF amounted to R325 million and remaining commitment to PRIF amounted to R30 million.

Other

Other smaller investments amounted to R119 million.

Events after year-end

RCL Foods: Sale of Vector Logistics

The sale of the RCL Foods' Vector Logistics segment, which has been presented as held for sale at 30 June 2023, was finalised on 28 August 2023, resulting in a net cash receipt of R1 307 million, comprising the purchase price of R1 250 million, plus interest and less the post-tax share option liability of Vector Logistics. The purchase price is subject to certain EBITDA targets being met, which may result in a future upwards or downwards adjustment of up to R100 million in the purchase price. The transition of Vector Logistics out of RCL Foods and its shared services platform is expected to take place over the next 12 months.

Capevin: Termination of Gordon's Gin distribution agreement

The Gordon's Gin and Pimm's No1 Cup distribution agreement, which has been presented as held for sale at 30 June 2023, was included in the remaining assets that were allocated to Capevin as part of the Distell/Heineken transaction. On 19 July 2023 the Competition Commission of South Africa approved the proposed transaction, whereby this distribution agreement will be terminated in favour of the brand owner Diageo, without conditions. The consideration amounts to R1 billion, of which R700 million was received on 4 August 2023. The outstanding amount of R300 million is payable over the next ten months subject to achieving certain thresholds relating to the continued supply and manufacturing of the products by Capevin to Diageo.

Other than the above-mentioned events, there were no other significant events subsequent to 30 June 2023.

Cash resources at the centre

The Company's cash resources at 30 June 2023 were as follows:

R million	Local	30 June 2023 Offshore	Total	30 June 2022
Per consolidated statement of financial position	**2 703**	**3 344**	**6 047**	11 884
Investment in money market funds	**4 582**	**–**	**4 582**	5 700
Less: Cash of operating subsidiaries	**(1 413)**	**(215)**	**(1 628)**	(5 304)
Cash at the centre	**5 872**	**3 129**	**9 001**	12 280

On 30 June 2023, approximately 50% (R4 532 million) of the available cash at the centre was invested in money market funds which are not classified as cash and cash equivalents on the statement of financial position. Refer to note 5 to the Annual Financial Statements that is published on the Company's website at www.remgro.com for further details.

Group financial review

Statement of financial position

The analysis of "Equity employed" and "Source of headline earnings" below reflects the sectors into which the Group's investments have been classified. No adjustment has been made where investments are active mainly in one sector but also have interests in other sectors.

	30 June 2023		30 June 2022	
	R million	**R per share**	R million	R per share
Equity employed				
Attributable to equity holders	**115 920**	**207.51**	98 443	174.52
Employment of equity				
Healthcare	**41 050**	**73.48**	26 681	47.30
Consumer products	**29 536**	**52.87**	23 463	41.60
Financial services	**7 053**	**12.63**	6 500	11.52
Infrastructure	**7 180**	**12.85**	8 571	15.19
Industrial	**6 168**	**11.04**	5 957	10.56
Diversified investment vehicles	**5 546**	**9.93**	5 354	9.49
Media	**1 051**	**1.88**	967	1.71
Portfolio investments	**15 641**	**28.00**	14 799	26.24
Social impact investments	**126**	**0.23**	132	0.23
Central treasury				
– Cash at the centre	**9 001**	**16.11**	12 280	21.77
– Debt at the centre	**(7 857)**	**(14.06)**	(7 838)	(13.90)
Other net corporate assets	**1 425**	**2.55**	1 577	2.81
	115 920	**207.51**	98 443	174.52

Income statement

	30 June 2023 R million	30 June 2023 %	30 June 2022 R million	30 June 2022 %
Source of headline earnings				
Healthcare	**1 691**	**24**	1 267	20
Consumer products	**1 208**	**17**	1 906	29
Financial services	**960**	**14**	866	13
Infrastructure	**317**	**4**	613	9
Industrial	**868**	**12**	1 800	28
Diversified investment vehicles	**834**	**12**	95	1
Media	**171**	**2**	178	3
Portfolio investments	**804**	**11**	444	7
Social impact investments	**(24)**	**–**	(20)	–
Central treasury				
– Finance income	**650**	**9**	224	3
– Finance costs	**(628)**	**(9)**	(627)	(10)
Other net corporate income/(costs)	**205**	**4**	(252)	(3)
	7 056	**100**	6 494	100

Share incentive schemes

Remgro currently has three long-term incentive plans, i.e. the old Remgro Equity Settled Share Appreciation Right Scheme (SAR Scheme), the Remgro Share Appreciation Rights Plan (SAR Plan) and the Remgro Equity Settled Conditional Share Plan (CSP).

In terms of the SAR Scheme and SAR Plan, participants are offered Remgro ordinary shares to the value of the appreciation of their rights to a specified number of Remgro ordinary shares that can be exercised at different intervals but before the expiry of seven years from date of grant. The earliest intervals at which the Share Appreciation Rights vest and are exercisable are as follows:

- One third after the third anniversary of the grant date
- An additional third after the fourth anniversary of the grant date
- The remainder after the fifth anniversary of the grant date

In terms of the CSP, participants are awarded Remgro ordinary shares that will vest as follows:

- One-third after the third anniversary of the grant date
- An additional third after the fourth anniversary of the grant date
- The remainder after the fifth anniversary of the grant date

Vesting on both schemes are conditional on fulfilment of the employment period and achievement of performance conditions (where applicable).

Refer to note 8 to the Annual Financial Statements that is published on the Company's website at www.remgro.com for further details on both schemes.

Treasury shares

At 30 June 2022, 4 205 497 Remgro ordinary shares (0.8%) were held as treasury shares by a wholly owned subsidiary of Remgro for the purpose of hedging Remgro's share schemes (Remgro scheme shares). During the year under review Remgro bought back a further 4 000 000 Remgro scheme shares at an average price of R138.92 per share for a total amount of R556 million, while 441 560 Remgro scheme shares were utilised to settle Remgro's obligation towards scheme participants.

Pursuant to a general share repurchase programme of R1 billion, Remgro, through a wholly owned subsidiary, acquired 6 583 676 Remgro ordinary shares in the open market between 19 June 2023 and 2 August 2023 (Remgro repurchased shares). These shares represent 1.2% of the Company's issued ordinary shares immediately prior to the repurchase. At 30 June 2023, 1 882 333 Remgro repurchased shares had been acquired at an average price of R145.62 per share for a total amount of R274 million. Subsequent to 30 June 2023, another 4 701 343 Remgro repurchased shares were acquired at an average price of R154.40 per share for a total amount of R726 million. The share repurchase programme was completed on 2 August 2023. These Remgro repurchased shares were acquired as part of an ongoing strategic focus on returning value to shareholders through a disciplined capital allocation plan.

At 30 June 2023, 9 646 270 Remgro ordinary shares (1.8%) were held as treasury shares of which 7 763 937 shares were Remgro scheme shares and 1 882 333 shares were Remgro repurchased shares.

Principal shareholder

Rupert Beleggings Proprietary Limited (Rupert Beleggings) holds all the issued unlisted B ordinary shares of the Company and is entitled to 42.91% (2022: 42.66%) of the total votes.

An analysis of the shareholders appears on pages 167 and 168.

Subsidiaries and investments

Particulars of subsidiaries and equity accounted investments are disclosed in note 14 of the Annual Financial Statements that is published on the Company's website at www.remgro.com.

Directors

The names of the directors appear on pages 90 to 93 of the Integrated Annual Report.

Dr T Leoka was appointed as independent non-executive director with effect from 22 March 2023, which director's appointment will in terms of the Company's Memorandum of Incorporation have to be confirmed by the shareholders at the next Annual General Meeting. The Board wishes to welcome Dr T Leoka as director to the Company.

In terms of the provision of the Memorandum of Incorporation, Messrs N P Mageza, G G Nieuwoudt, K S Rantloane, J P Rupert and N J Williams retire from the Board by rotation. These directors are eligible and offer themselves for re-election.

Directors' interests

At 30 June 2023 the aggregate of the direct and indirect interests of the directors and their associates in the issued ordinary share capital of the Company amounted to 3.34% (2022: 3.33%).

Mr J P Rupert is a director of Rupert Beleggings which owns all the issued unlisted B ordinary shares.

An analysis of directors' interests in the issued capital of the Company appears on page 169.

Directors' emoluments

The total directors' fees for services rendered as directors during the past financial year amounted to R6.7 million (2022: R6.1 million).

Acquisition of shares of the Company

It is recommended that a general authority be granted to the Board to acquire, should circumstances warrant it, the Company's own shares and to approve the acquisition of shares in the Company by any of its subsidiaries, subject to the provisions of the Companies Act (No. 71 of 2008), as amended, and the Listings Requirements of the JSE Limited.

A special resolution to grant this general authority to the Board is incorporated in the notice of the Annual General Meeting that appears on page 173 of the Integrated Annual Report.

Authority to place ordinary shares under the control of the directors

It is recommended that a general authority be granted to the Board to allot and issue ordinary shares, subject to the provisions of the Companies Act (No. 71 of 2008), as amended, the Memorandum of Incorporation and the Listings Requirements of the exchange operated by JSE Limited, provided that the aggregate number of ordinary shares to be allotted and issued is limited to 5% of the number of the unissued ordinary shares in the authorised share capital of the Company (being 23 539 150 ordinary shares). This authority cannot be used to issue shares for cash.

An ordinary resolution to grant this general authority to the Board is incorporated in the notice of the Annual General Meeting that appears on page 172 of the Integrated Annual Report.

Declaration of cash dividend

Declaration of cash dividend No. 46

Notice is hereby given that a final gross dividend of 160 cents (2022: 100 cents) per share has been declared out of income reserves in respect of both the ordinary shares of no par value and the unlisted B ordinary shares of no par value, for the year ended 30 June 2023.

A dividend withholding tax of 20% or 32 cents per share will be applicable, resulting in a net dividend of 128 cents per share, unless the shareholder concerned is exempt from paying dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement.

The total gross dividend per share for the year ended 30 June 2023 therefore amounts to 240 cents, compared to 150 cents for the year ended 30 June 2022.

The issued share capital at the declaration date is 529 217 007 ordinary shares and 39 056 987 B ordinary shares. The income tax number of the Company is 9500-124-71-5.

Payment

The final dividend is payable on Monday, 13 November 2023, to shareholders of the Company registered at the close of business on Friday, 10 November 2023.

Share certificates may not be dematerialised or rematerialised between Wednesday, 8 November 2023, and Friday, 10 November 2023, both days inclusive.

In terms of the Company's Memorandum of Incorporation, dividends will only be transferred electronically to the bank accounts of shareholders. In the instance where shareholders do not provide the Transfer Secretaries with their banking details, the dividend will not be forfeited but will be marked as "unclaimed" in the share register until the shareholder provides the Transfer Secretaries with the relevant banking details for payout.

Secretary

The name and address of the Company Secretary appears on page 164 of the Integrated Annual Report.

Approval

The comprehensive Annual Financial Statements published on the Company's website at www.remgro.com, as well as the summary Annual Financial Statements set out on pages 20 to 130 have been approved by the Board.

Signed on behalf of the Board of Directors.

Johann Rupert

Johann Rupert
Chairman

Jannie Durand
Chief Executive Officer

Stellenbosch
20 September 2023

REPORT OF THE Independent Auditor

on the summary consolidated financial statements to the shareholders of Remgro Limited

Opinion

The summary consolidated financial statements of Remgro Limited, set out on pages 144 to 158 of the Integrated Annual Report 2023, which comprise the summary consolidated statement of financial position as at 30 June 2023, the summary consolidated income statement, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Remgro Limited for the year ended 30 June 2023.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the JSE Limited Listings Requirements for summary financial statements, as set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summary consolidated financial statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 20 September 2023. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

Directors' responsibility for the summary consolidated financial statements

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the JSE's requirements for summary financial statements, set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: R M Labuschaigne
Registered Auditor

Stellenbosch, South Africa
20 September 2023

STATEMENT OF Financial Position

at 30 June 2023

R million	Notes	30 June 2023[1]	30 June 2022
Assets			
Non-current assets			
Property, plant and equipment		**9 757**	17 831
Investment properties		**473**	137
Intangible assets		**10 665**	20 275
Investments – Equity accounted	5	**76 445**	50 771
– Financial assets at fair value through other comprehensive income (FVOCI)	6	**22 564**	20 650
Financial assets at fair value through profit and loss (FVPL)		**150**	242
Retirement benefits		**351**	709
Long-term loans and debtors		**33**	155
Deferred taxation		**176**	219
		120 614	110 989
Current assets		**30 351**	45 709
Inventories		**7 832**	13 568
Biological agricultural assets		**1 317**	1 232
Debtors and short-term loans		**3 818**	11 903
Loans to equity accounted investments		**35**	15
Financial assets at FVPL		**29**	78
Taxation		**47**	98
Investment in money market funds		**4 582**	5 700
Cash and cash equivalents		**6 047**	11 884
		23 707	44 478
Assets held for sale		**6 644**	1 231
Total assets		**150 965**	156 698
Equity and liabilities			
Stated capital		**13 416**	13 416
Reserves		**103 942**	85 712
Treasury shares		**(1 438)**	(685)
Shareholders' equity		**115 920**	98 443
Non-controlling interest		**6 521**	17 437
Total equity		**122 441**	115 880
Non-current liabilities		**11 787**	21 128
Retirement benefits		**70**	149
Long-term loans	7	**5 804**	11 693
Lease liabilities		**523**	959
Deferred taxation		**5 298**	8 276
Hedge derivatives		**92**	51
Current liabilities		**16 737**	19 690
Trade and other payables		**5 980**	16 025
Short-term loans		**6 431**	2 681
Lease liabilities		**196**	231
Financial liabilities at FVPL		**6**	33
Taxation		**127**	325
		12 740	19 295
Liabilities held for sale		**3 997**	395
Total equity and liabilities		**150 965**	156 698

[1] *On 26 April 2023, Remgro sold its interest in the bulk of the Distell business (consisting of its cider, other RTDs and spirits and wine business) to Heineken and, therefore, certain line items are not directly comparable with the prior year. In addition, RCL Foods also announced its intention to dispose of Vector Logistics resulting in these assets and liabilities being presented as held for sale. Refer to "Comparison with prior year" on page 148 for further details.*

INCOME STATEMENT

for the year ended 30 June 2023

R million	Notes	30 June 2023	30 June 2022 Restated
Continuing operations			
Revenue	13	**48 151**	41 876
Inventory expenses		**(29 373)**	(24 943)
Staff costs		**(6 625)**	(6 216)
Depreciation		**(1 032)**	(944)
Other net operating expenses		**(8 786)**	(7 716)
Trading profit		**2 335**	2 057
Dividend income		**1 161**	635
Interest received		**985**	388
Finance costs		**(1 002)**	(887)
Impairment of investments, assets and goodwill		**(590)**	(455)
Reversal of impairment of investments and assets		**40**	614
Loss allowances on loans		**(19)**	52
Profit on sale and dilution of investments		**329**	394
Consolidated profit before tax		**3 239**	2 798
Taxation		**(832)**	(757)
Consolidated profit after tax		**2 407**	2 041
Share of after-tax profit of equity accounted investments	5	**3 296**	10 786
Net profit for the year from continuing operations		**5 703**	12 827
Discontinued operations			
Profit for the year from discontinued operations[1]		**5 117**	2 152
Net profit for the year		**10 820**	14 979
Attributable to:			
Equity holders		**9 624**	13 139
Continuing operations		**5 836**	12 445
Discontinued operations		**3 788**	694
Non-controlling interest		**1 196**	1 840
Continuing operations		**(133)**	382
Discontinued operations		**1 329**	1 458
		10 820	14 979

(1) *Refer to "Discontinued operations" on page 156 for further details.*

STATEMENT OF Comprehensive Income

for the year ended 30 June 2023

R million	30 June 2023	30 June 2022 Restated
Continuing operations		
Net profit for the year	**5 703**	12 827
Other comprehensive income, net of tax	**10 959**	(2 055)
Items that may be reclassified subsequently to the income statement:		
Exchange rate adjustments	**8 628**	561
Fair value adjustments for the year	**(99)**	(842)
Deferred taxation on fair value adjustments	**(32)**	27
Reclassification of other comprehensive income to the income statement	**(359)**	64
Other comprehensive income of equity accounted investments	**1 321**	1 556
Items that will not be reclassified to the income statement:		
Fair value adjustments for the year	**1 665**	(306)
Deferred taxation on fair value adjustments	**(91)**	(2 236)
Capital gains taxation on disposal of FVOCI investments	**(188)**	(40)
Remeasurement of post-employment benefit obligations	**65**	(18)
Deferred taxation on remeasurement of post-employment benefit obligations	**(18)**	7
Change in reserves of equity accounted investments	**67**	(828)
Comprehensive income for the year – continuing operations	**16 662**	10 772
Discontinued operations		
Net profit for the year	**5 117**	2 152
Other comprehensive income, net of tax	**(161)**	109
Comprehensive income for the year – discontinued operations	**4 956**	2 261
Total comprehensive income for the year	**21 618**	13 033
Total comprehensive income attributable to:		
Equity holders	**20 091**	11 031
Continuing operations	**16 353**	10 302
Discontinued operations	**3 738**	729
Non-controlling interest	**1 527**	2 002
Continuing operations	**309**	470
Discontinued operations	**1 218**	1 532
	21 618	13 033

STATEMENT OF Changes in Equity

for the year ended 30 June 2023

R million	30 June 2023	30 June 2022
Balance at the beginning of the year	**115 880**	103 576
Total comprehensive income for the year	**21 618**	13 033
Dividends paid	**(1 075)**	(721)
Dividends *in specie* (Grindrod unbundling)	**(1 629)**	–
Transactions with non-controlling shareholders	**1**	(11)
Other movements	**–**	10
Business disposed	**(11 308)**	–
Businesses acquired	**–**	40
Long-term share incentive scheme reserve	**(216)**	90
Purchase of treasury shares by wholly owned subsidiary	**(830)**	(137)
Balance at the end of the year	**122 441**	115 880

STATEMENT OF Cash Flows

for the year ended 30 June 2023

R million	30 June 2023	30 June 2022
Cash flows – operating activities		
Cash generated from operations	**2 783**	7 756
Interest received	**1 124**	535
Taxation paid	**(2 051)**	(1 430)
Dividends received	**2 648**	2 223
Finance costs	**(1 309)**	(1 185)
Cash available from operating activities	**3 195**	7 899
Proceeds from retirement fund assets transferred to Distell	**–**	55
Cash settled share-based payments made by Distell	**(715)**	(148)
Dividends paid	**(1 075)**	(721)
Cash inflow from operating activities	**1 405**	7 085
Cash flows – investing activities		
Investment in property, plant and equipment and other assets	**(3 266)**	(3 272)
Proceeds on disposal of property, plant and equipment and intangible assets	**257**	262
Proceeds on disposal of assets held for sale[(1)]	**973**	13
Businesses acquired[(2)]	**(215)**	(84)
Business disposed[(3)]	**2 041**	–
Proceeds on disposal of investments and loans[(4)]	**697**	3 536
Additions to investments and loans[(5)]	**(7 056)**	(2 437)
Investment in money market funds	**(190)**	(690)
Withdrawal of money market funds	**1 308**	–
Cash outflow from investing activities	**(5 451)**	(2 672)
Cash flows – financing activities		
Loans repaid	**(1 899)**	(1 618)
Lease payments	**(302)**	(474)
Purchase of treasury shares	**(830)**	(137)
Other movements	**356**	367
Cash outflow from financing activities	**(2 675)**	(1 862)
Net increase/(decrease) in cash and cash equivalents	**(6 721)**	2 551
Exchange rate profit on foreign cash	**405**	353
Cash and cash equivalents at the beginning of the year	**11 505**	8 601
Cash and cash equivalents at the end of the year	**5 189**	11 505
Cash and cash equivalents – per statement of financial position	**6 047**	11 884
Bank overdraft	**(910)**	(379)
Included in assets and liabilities held for sale		
Cash and cash equivalents	**82**	–
Bank overdraft	**(30)**	–

(1) *The year under review included the proceeds on the disposal of 19.2 million FirstRand shares amounting to R959 million.*
(2) *The year under review relates to the acquisition of Sunshine Bakery Holdings Proprietary Limited by Remgro's subsidiary RCL Foods.*
(3) *The year under review relates to the disposal as part of the Distell/Heineken transaction. Refer to "Comparison with prior year" on page 148 for further detail.*
(4) *During June 2022 Remgro sold 40.8 million FirstRand shares. Proceeds of R1 798 million were received by 30 June 2022 and the remaining R240 million during July 2022.*
(5) *The year under review includes the additional investments in Mediclinic of R4 693 million and Heineken Beverages of R2 317 million. The prior year included an investment in CIVH amounting to R2 124 million.*

NOTES TO THE SUMMARY financial statements

for the year ended 30 June 2023

1. Basis of preparation

The summary consolidated financial statements are prepared in accordance with the requirements of the JSE Limited (JSE) Listings Requirements for summary financial statements, and the requirements of the Companies Act of South Africa. The Listings Requirements require summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by *IAS 34: Interim Financial Reporting*.

The accounting policies applied in the preparation of the consolidated financial statements from which the summary consolidated financial statements were derived are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated https://www.remgro.com/. During the year under review various other interpretations and amendments became effective, but their implementation had no impact on the results of either the current or prior years. The financial statements have been prepared under the supervision of the Chief Financial Officer, Neville Williams CA(SA).

The summary consolidated financial statements do not contain all the information and disclosures required in the consolidated financial statements. The summary consolidated financial statements have been extracted from the audited consolidated financial statements upon which PricewaterhouseCoopers Inc. has issued an unqualified report. The audited consolidated financial statements and the unqualified audit report are available for inspection at the registered office of the Company.

2. Comparison with prior year

Disposal of certain assets and liabilities of Distell

On 26 April 2023 Heineken International B.V. (Heineken) acquired the bulk of Distell's business (consisting of its cider, other RTDs and spirits and wine business). The transaction entailed the following:

- Distell sold its equity interests in Distell Namibia Limited, Distillers Corporation (Namibia) Limited and Namibia Wines and Spirits Limited to Namibia Breweries for a cash consideration of R1 564 million.
- Heineken's Southern African business, including an interest in Namibia Breweries, was combined with the bulk of the Distell business (consisting of its cider, other RTDs and spirits and wine business) in Heineken Beverages, a new unlisted entity, controlled by Heineken. Remgro exchanged 62 242 453 Distell shares for 62 242 453 Heineken Beverages shares (being a 15.5% stake in Heineken Beverages) and sold 7 607 803 of its Distell shares to Heineken Beverages for R1 255 million (being R165 per Distell share) in terms of a scale back of the issue of Heineken Beverages shares to Distell shareholders, electing to receive Heineken Beverages shares, to ensure a 65% shareholding by Heineken in Heineken Beverages.
- Distell unbundled the unlisted shares in its subsidiary, Capevin, which holds Distell's remaining assets, mainly its Scotch whisky business. Remgro is the controlling shareholder in Capevin, which shareholding mirrors the shareholding that was previously held in Distell (being an economic interest of 31.4% and a voting interest of 55.9%). Therefore, the Capevin investment continues to be classified as a subsidiary. It was previously held indirectly through Distell.

The investment in Distell was derecognised on 26 April 2023, while Remgro continued to consolidate the investment in Capevin at its underlying carrying values as previously accounted for. A profit on disposal of R4 374 million was recognised for the assets and liabilities transferred to Heineken Beverages and the related business activities was disclosed as a discontinued operation in the current financial year, with the prior year disclosure restated accordingly. No profit or loss was recognised from the unbundling of Capevin. The investment in Heineken Beverages was classified as an associate since Remgro has board representation.

R million	At disposal date
Property, plant and equipment	**8 257**
Intangible assets	**9 023**
Inventories	**8 461**
Debtors and short-term loans	**5 979**
Cash and cash equivalents	**2 318**
Other assets	**1 438**
Deferred taxation	**(3 300)**
Trade and other payables	**(7 938)**
Bank overdraft	**(1 550)**
Other liabilities	**(1 744)**
Non-controlling interest	**(12 239)**
Carrying value of net assets disposed	**8 705**
Consideration received	**13 079**
Cash consideration received from Namibia Breweries	**1 564**
Cash on shares disposed to Heineken, net of costs	**1 245**
Exchanged for investment in Heineken Beverages	**10 270**
Profit on disposal	**4 374**
Cash inflow on disposal	**2 041**
Cash and cash equivalents and bank overdrafts of business disposed	**(768)**
Cash consideration received	**2 809**

2. Comparison with prior year (continued)

Transfer to non-current assets/(liabilities) held for sale of Vector Logistics

During the year under review RCL Foods announced its intention to dispose of Vector Logistics. On 29 March 2023, RCL Foods entered into a binding agreement with EMIF II Investment Proprietary Limited, a subsidiary of A.P. Möller Capital, to dispose of the Vector Logistics business.

The related assets and liabilities are presented as held for sale in the statement of financial position at 30 June 2023 and the results for the current and previous financial year are disclosed as a discontinued operation.

R million	At 30 June 2023
Debtors and short-term loans	**4 699**
Other assets	**1 773**
Included in assets held for sale	**6 472**
Trade and other payables	**(3 413)**
Other liabilities	**(583)**
Included in liabilities held for sale	**(3 996)**

3. Headline earnings reconciliation

R million	30 June 2023	30 June 2022 Restated
Continuing operations		
Net profit for the year attributable to equity holders (earnings)	**5 836**	12 445
– Impairment of equity accounted investments[1]	**58**	193
– Reversal of impairment of equity accounted investments[1]	**(5)**	(361)
– Impairment of property, plant and equipment	**70**	100
– Reversal of impairment of property, plant and equipment	**(35)**	(253)
– Impairment of intangible and other assets	**462**	162
– Profit on sale and dilution of equity accounted investments	**(321)**	(395)
– Loss on sale and dilution of equity accounted investments	**2**	1
– Profit on disposal of property, plant and equipment	**(78)**	(27)
– Loss on disposal of property, plant and equipment	**62**	14
– Recycling of foreign currency translation reserves	**(10)**	–
– Non-headline earnings items included in equity accounted earnings of equity accounted investments	**984**	(6 181)
– Profit on disposal of property, plant and equipment	**(18)**	(59)
– Profit on sale of investments[2]	**(67)**	(6 298)
– Loss on sale of investments	**–**	1
– Impairment of investments, assets and goodwill	**1 069**	190
– Other headline earnings adjustable items	**–**	(15)
– Taxation effect of adjustments	**(13)**	126
– Non-controlling interest	**(370)**	(8)
Headline earnings from continuing operations	**6 642**	5 816
Discontinued operations		
Net profit for the year attributable to equity holders (earnings)	**3 788**	694
– Impairment of property, plant and equipment	**–**	6
– Profit on disposal of property, plant and equipment	**(9)**	(56)
– Loss on disposal of property, plant and equipment	**36**	9
– Loss on disposal of intangible assets	**–**	(12)
– Profit on disposal of subsidiary[3]	**(4 374)**	–
– Recycling of foreign currency translation reserves	**23**	–
– Non-headline earnings items included in equity accounted earnings of equity accounted investments		
– Profit on disposal of property, plant and equipment	**–**	(8)
– Taxation effect of adjustments	**607**	9
– Non-controlling interest	**343**	36
Headline earnings from discontinued operations	**414**	678
Total headline earnings from continuing and discontinued operations	**7 056**	6 494

(1) *Refer to "Net impairments of equity accounted investments" on page 151 for further details.*
(2) *"Profit on sale of investments" from equity accounted investments for the year ended 30 June 2022 includes Remgro's portion of the profit realised by OUTsurance Group on the unbundling of its investments in Discovery and Momentum Metropolitan (totalling R4 667 million) and the disposal of its investment in Hastings (R1 465 million).*
(3) *Refer to "Comparison with prior year" on page 148 for further details.*

3. Headline earnings reconciliation (continued)

Headline earnings, adjusted for corporate actions, reconciliation

Corporate actions such as the unbundling, restructuring, acquisition and disposal of investments may result in non-recurring items or items that distort comparability, being recognised in the income statement that may not be excluded from the calculation of headline earnings as per the HEPS circular 1/2023. Headline earnings is then adjusted for these items (net of tax), being transaction and restructuring costs; acquisition and disposal-related gains or losses (*inter alia* foreign exchange gains or losses); income or losses that were not accounted for the full reporting period (*inter alia* consolidated or equity accounted income or losses until the date of unbundling, restructuring or disposal); and income or losses that were not accounted for on a consistent basis between reporting periods (*inter alia* to consolidate or to equity account as opposed to dividend income from investments recognised at fair value through other comprehensive income). In these instances, the Group discloses an alternative earnings measure excluding these items in order to promote comparability between reporting periods.

For the current and comparative years, these corporate actions and their impact on headline earnings include:

- The restructuring of OUTsurance Group – during the comparative year, OUTsurance Group unbundled its investments in Discovery and Momentum Metropolitan (the OUTsurance Group unbundling), as well as disposed of its investment in Hastings. OUTsurance Group equity accounted these investments (being classified as discontinued operations) and Remgro's portion thereof, included in headline earnings for the comparative year, amounted to R351 million. As a consequence of the OUTsurance Group unbundling, Remgro received Discovery and Momentum Metropolitan shares and classified both investments as financial instruments at fair value through other comprehensive income. As Remgro now accounts for dividend income from these investments, only R141 million of dividends were received and included in headline earnings from Momentum Metropolitan during the year under review;
- The disposal of Grindrod Shipping (comparative year) – equity accounted income of R267 million was included in the prior year;
- The unbundling of Grindrod (October 2022) – equity accounted income of only R61 million is included for the year under review (2022: R263 million);
- The acquisition of an additional 5.4% indirect interest in Mediclinic (the Mediclinic acquisition) (June 2023) – transaction costs (R612 million) and foreign exchange gain (R522 million) are included for the year under review; and
- The combination of the Heineken Southern African business, including an interest in Namibia Breweries with the bulk of the Distell business (consisting of its cider, other RTDs and spirits and wine business) in Heineken Beverages, as well as the unbundling by Distell of its subsidiary, Capevin, which holds Distell's remaining assets, including its Scotch whisky business (the Distell/Heineken transaction) (April 2023) – transaction costs of R196 million is included for the year under review (2022: R16 million).

Headline earnings adjusted for the above-mentioned corporate actions is as follows:

	Year ended 30 June	
R million	**2023**	2022
Total headline earnings from continuing and discontinued operations	**7 056**	6 494
Discontinued operations of OUTsurance Group	**–**	(351)
Momentum Metropolitan dividends	**(141)**	–
Grindrod Shipping equity accounted income	**–**	(267)
Grindrod equity accounted income	**(61)**	(263)
Foreign exchange gain and transaction costs relating to the Mediclinic acquisition	**90**	–
Transaction costs relating to the Distell/Heineken transaction	**196**	16
Headline earnings adjusted for the corporate actions	**7 140**	5 629

4. Earnings and dividends

Cents	**30 June 2023**	30 June 2022 Restated
Headline earnings per share		
– Basic	**1 254**	1 151
Continuing operations	**1 180**	1 031
Discontinued operations	**74**	120
– Diluted	**1 244**	1 141
Continuing operations	**1 171**	1 022
Discontinued operations	**73**	119
Earnings per share		
– Basic	**1 710**	2 328
Continuing operations	**1 037**	2 205
Discontinued operations	**673**	123
– Diluted	**1 696**	2 313
Continuing operations	**1 027**	2 191
Discontinued operations	**669**	122
Dividends per share		
Ordinary	**240**	150
– Interim	**80**	50
– Final	**160**	100

5. Investments – Equity accounted

R million	30 June 2023	30 June 2022
Associates	**27 973**	43 317
Joint ventures	**48 472**	7 454
Investments – Equity accounted	**76 445**	50 771
Loans to equity accounted investments – current	**35**	15
	76 480	50 786

Equity accounted investments reconciliation

Carrying value at the beginning of the year	**50 786**	50 301
Share of net attributable profit	**3 472**	10 980
Dividends received	**(1 459)**	(1 687)
Grindrod unbundled[(1)]	**(1 649)**	–
Investments made[(2)]	**18 034**	2 163
Business disposed	**(806)**	–
Discovery dividend *in specie*[(3)]	**–**	(8 561)
Momentum Metropolitan dividend *in specie*[(3)]	**–**	(2 056)
Exchange rate differences	**7 087**	(244)
Grindrod Shipping transferred to non-current assets held for sale/disposed of[(4)]	**–**	(1 055)
Net impairments	**(50)**	168
Net allowances on loans	**–**	1
Equity accounted movements on reserves	**1 388**	729
Other movements	**(323)**	47
Carrying value at the end of the year	**76 480**	50 786

(1) *Refer to "Investment activities" on page 138 for further details.*
(2) *Refer to "Investment activities" for the investments in Heineken Beverages and Mediclinic during the year under review. The prior year included an investment in CIVH amounting to R2 124 million.*
(3) *During April 2022 OUTsurance Group unbundled its investments in Discovery and Momentum Metropolitan. Remgro received a 7.7% interest in Discovery and an 8.6% interest in Momentum Metropolitan and both the investments were classified as financial instruments at fair value through other comprehensive income.*
(4) *During January 2022 Remgro sold its investment in Grindrod Shipping.*

Net impairments of equity accounted investments and loss allowances on loans

Reversal of impairments/(impairments) were recognised for the following investments:

R million	30 June 2023	30 June 2022
Business Partners[(1)]	**–**	(193)
Grindrod[(2)]	**–**	361
Other impairments and loss allowances	**(50)**	1
	(50)	169

(1) *Business Partners' fair value declined mainly due to an increase in the tradability discount applied to the valuation thereof.*
(2) *At 30 June 2022 Grindrod's listed share price recovered significantly (85% increase year-on-year) following much improved trading results mainly due to the recovery in the logistics and port and terminals sectors in which it operates.*

At 30 June 2023, the fair value of the investment in Mediclinic was R47 268 million (2022: listed market value R29 568 million), which exceeded the carrying value of R41 050 million (2022: R26 681 million). Included in the carrying value of the investment is an impairment of R3 898 million which arose following regulatory changes in the investments' Switzerland business that affected its profitability since the 2019 financial year. Subsequently, the business was also severely impacted by the Covid-19 pandemic. While the Switzerland business is adapting to the new business environment and is recovering after the pandemic, its profitability has not yet improved sufficiently to warrant a reversal of the impairment.

Share of after-tax profit of equity accounted investments

R million	30 June 2023	30 June 2022
Profit before taking into account impairments and non-recurring items	**5 823**	6 826
Net impairment of investments, assets and goodwill	**(1 069)**	(190)
Profit on the sale of investments	**67**	6 297
Other headline earnings adjustable items	**–**	15
Profit before tax and non-controlling interest	**4 821**	12 948
Taxation	**(1 021)**	(1 605)
Non-controlling interest	**(328)**	(363)
	3 472	10 980
Continuing operations	**3 296**	10 786
Discontinued operations	**176**	194

6. Investments at fair value through other comprehensive income (FVOCI)

R million	30 June 2023	30 June 2022
Carrying value at the beginning of the year	**20 650**	14 342
Fair value adjustments for the year[1]	**1 657**	(740)
Investments made	**306**	243
Discovery received as a dividend *in specie*[2]	**–**	8 561
Momentum Metropolitan received as dividend *in specie*[2]	**–**	2 056
Exchange rate differences	**393**	352
Disposals[3]	**(415)**	(2 966)
Business disposed	**(38)**	–
Transfer to assets held for sale[3]	**–**	(1 198)
Other movements	**11**	–
Carrying value at the end of the year	**22 564**	20 650

(1) *The current year mainly consists of positive fair value adjustments from Momentum Metropolitan (R467 million), Discovery (R910 million) and FirstRand (R753 million).*

(2) *During April 2022 OUTsurance Group unbundled its investments in Discovery and Momentum Metropolitan. Remgro received a 7.7% interest in Discovery and an 8.6% interest in Momentum Metropolitan.*

(3) *During June 2022 Remgro sold 40.8 million FirstRand shares for R2 704 million. At 30 June 2022 19.2 million shares valued at R1 198 million were transferred to assets held for sale and sold during July 2022 for R959 million. These disposals were part of Remgro's decision to sell 60 million of its FirstRand ordinary shares which were hedged in the 2020 financial year via a zero cost collar.*

R million	30 June 2023	30 June 2022
7. Long-term loans		
20 000 Class A 7.5% cumulative redeemable preference shares[1]	**3 510**	3 509
10 000 Class B 7.8% cumulative redeemable preference shares[1]	**4 347**	4 329
Various other loans	**3 201**	5 835
	11 058	13 673
Short-term portion of long-term loans[2]	**(5 254)**	(1 980)
	5 804	11 693

(1) *Remgro's debt covenant, which relates to the Class A and B cumulative redeemable preference shares, is based on net debt at the centre. As Remgro is in a net cash position, the debt covenant is comfortably met.*

(2) *The short-term portion of the long-term loans includes the 20 000 Class A 7.5% cumulative preference shares as these are repayable on 15 January 2024.*

R million	30 June 2023	30 June 2022
8. Additions to and replacement of property, plant and equipment	**3 434**	3 077
9. Capital and investment commitments (Including amounts authorised but not yet contracted for)	**4 487**	6 208
10. Guarantees and contingent liabilities	**15**	25
11. Dividends received from equity accounted investments set off against investments	**1 459**	12 304

12. Fair value remeasurements

The following methods and assumptions are used to determine the fair value of each class of financial instruments:

- Financial instruments at fair value and investment in money market funds: Fair value is based on quoted market prices or, in the case of unlisted instruments, appropriate valuation methodologies, being discounted cash flow, liquidation valuation or actual net asset value of the investment.
- Derivative instruments: The fair values of derivative instruments, which are included in financial instruments at FVPL, are determined by using appropriate valuation methodologies and mark-to-market valuations.

Financial instruments measured at fair value are disclosed by level of the following fair value hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – Inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

12. Fair value remeasurements (continued)

The following table illustrates the fair values of financial assets and liabilities that are measured at fair value, by hierarchy level:

R million	*Level 1*	*Level 2*	*Level 3*	Total
30 June 2023				
Assets				
Non-current assets				
Financial assets at FVOCI	**20 246**	**3**	**2 315**	**22 564**
Financial assets at FVPL	**–**	**–**	**150**	**150**
Current assets				
Financial assets at FVPL	**–**	**29**	**–**	**29**
Investment in money market funds	**4 582**	**–**	**–**	**4 582**
	24 828	**32**	**2 465**	**27 325**
Liabilities				
Current instruments at FVPL	**–**	**6**	**–**	**6**
Hedge derivatives	**–**	**92**	**–**	**92**
	–	**98**	**–**	**98**
30 June 2022				
Assets				
Non-current assets				
Financial assets at FVOCI	18 248	–	2 402	20 650
Financial assets at FVPL	–	–	242	242
Current assets				
Financial assets at FVPL	–	78	–	78
Investment in money market funds	5 700	–	–	5 700
	23 948	78	2 644	26 670
Liabilities				
Current instruments at FVPL	–	33	–	33
Hedge derivatives	–	51	–	51
	–	84	–	84

The following table illustrates the reconciliation of the carrying value of level 3 assets at the beginning and end of the year:

R million	*Financial assets at FVOCI*	*Financial assets at FVPL*	Total
Assets			
Balances at 1 July 2022	**2 402**	**242**	**2 644**
Additions	**306**	**–**	**306**
Disposals	**(415)**	**–**	**(415)**
Business disposed	**(38)**	**–**	**(38)**
Exchange rate adjustment	**203**	**35**	**238**
Fair value adjustments through other comprehensive income	**(143)**	**–**	**(143)**
Fair value adjustments through profit and loss	**–**	**(127)**	**(127)**
Balances at 30 June 2023	**2 315**	**150**	**2 465**

Level 3 financial assets consist mainly of investments in the Milestone China entities (Milestone), Asia Partners Fund I LP and Asia Partners Fund II LP (Asia Partners) and the Pembani Remgro Infrastructure Fund (PRIF) amounting to R738 million (2022: R835 million), R658 million (2022: R398 million) and R325 million (2022: R615 million), respectively. These investments are all valued based on the fair value of each investment's underlying assets, which are valued using a variety of valuation methodologies. Listed entities are valued at the last quoted share price on the reporting date, whereas unlisted entities' valuation methods include discounted cash flow valuations, appropriate earnings and revenue multiples.

Milestone's fair value consists of two listed investments (11%), cash and cash equivalents (2%) and unlisted investments (87%) (2022: 27%, 1% and 72%, respectively). Asia Partners consist of cash balances and seven different investments of which 80% is measured using option pricing models. PRIF's six assets were valued using the discounted cash flow method.

Other investments included as level 3 financial assets includes the investments in LifeQ and Bolt were valued at R202 million and R257 million, respectively, at 30 June 2023 (2022: R240 million and R210 million respectively).

Remgro's unlisted investments classified as level 3 financial instruments are widely held. Accordingly, changes in the assumptions used to value the above-mentioned unlisted investments will not have a significant impact on Remgro's financial statements.

13. Segment revenue

R million	Year ended 30 June 2023	2022 Restated
Consumer products		
RCL Foods[1]	**37 616**	32 038
Capevin[1]	**2 897**	2 620
Siqalo Foods	**3 748**	3 546
Industrial		
Wispeco	**3 813**	3 598
Other	**77**	74
Total revenue from continuing operations	**48 151**	41 876

Disaggregated revenue information

R million	2023	2022 Restated
RCL Foods[1]		
RCL Foods Value-Added Business	**24 760**	21 156
Groceries	**5 034**	4 732
Baking	**8 625**	7 423
Sugar	**11 101**	9 001
Rainbow	**13 464**	11 385
Sales between RCL Foods' business units	**(639)**	(530)
Group	**198**	190
	37 783	32 201
Capevin[1]		
Spirits	**2 632**	2 290
Other	**265**	330
	2 897	2 620
Siqalo Foods		
Spreads	**3 748**	3 546
Wispeco		
Extrusions and related products	**3 208**	3 050
Other	**605**	548
	3 813	3 598
Other	**77**	74
Elimination of intersegment revenue	**(167)**	(163)
Total revenue from continuing operations	**48 151**	41 876

(1) *During the year under review, RCL Foods disclosed Vector Logistics business as a discontinued operation and Distell sold the bulk of its business to Heineken Beverages with its continuing operations consisting of Capevin. Refer to "Discontinued operations" on page 156 for further details.*

14. Related party transactions

Mediclinic Group Limited (Mediclinic)

On 26 September 2022, the Mediclinic shareholders voted in favour of a cash offer by Manta Bidco Limited (Bidco), a newly formed company which is jointly owned by Remgro and MSC Mediterranean Shipping Company SA (MSC), to acquire the entire issued and to be issued ordinary share capital of Mediclinic, other than the Mediclinic shares Remgro already owned (the Mediclinic acquisition). The last conditions precedent in respect of the Mediclinic acquisition were met during May 2023 and on 6 June 2023 Mediclinic shareholders received 501 pence per Mediclinic share, being the offer price of 504 pence per Mediclinic share less the dividend of 3 pence per Mediclinic share that was paid on 26 August 2022.

To enable the Mediclinic acquisition, Remgro sold its existing 328 497 888 Mediclinic shares (representing an interest of 44.6%) to Bidco in exchange for shares in Bidco and subscribed for further shares in Bidco amounting to £221 million (representing an additional indirect interest in Mediclinic of 5.4% and approximately 50% of Bidco's transaction costs). MSC also subscribed for shares in Bidco amounting to £1 867 million (representing an indirect interest in Mediclinic of 50% and 50% of Bidco's transaction costs).

As both Remgro's investments in Mediclinic (associate) and Bidco (joint venture) are accounted for using the equity method, Remgro effectively ceased the equity accounting of its 44.6% interest in Mediclinic at the end of May 2023 and commenced with the equity accounting of its 50% indirect interest in Mediclinic, through its 50% interest in Bidco. Bidco made fair value adjustments to Mediclinic's statement of financial position when it acquired its 100% stake in Mediclinic. These fair value adjustments mainly relate to the Mediclinic properties and the Mediclinic brand in South Africa and the Middle East. Going forward, Remgro will account for depreciation and amortisation on these additional assets identified, inside headline earnings. The additional depreciation and amortisation will only relate to Remgro's newly acquired 5.4% indirect interest in Mediclinic as Remgro already owned the 44.6% interest.

14. Related party transactions (continued)

Distell Group Holdings Limited (Distell)

On 15 February 2022, the Distell shareholders approved the combination of the Heineken Southern African business, including an interest in Namibia Breweries, with the bulk of the Distell business (consisting of its cider, other RTDs and spirits and wine business) in Heineken Beverages, a new unlisted entity controlled by Heineken. The transaction included the unbundling by Distell of the unlisted shares in Distell's subsidiary, Capevin, which holds Distell's remaining assets, including its Scotch whisky business. The transaction, which was implemented on 26 April 2023, also included an offer by Heineken Beverages to Distell shareholders to acquire their Distell shares for R165 per share and/or unlisted shares in Heineken Beverages, or a combination thereof (subject to a potential scaling back of the issue of Heineken Beverages shares to Distell shareholders, electing to receive Heineken Beverages shares, to ensure a 65% shareholding by Heineken in Heineken Beverages), and an offer by Heineken to Distell shareholders to acquire their Capevin shares for R15 per share.

Remgro elected to receive Heineken Beverages shares for its Distell shares. However, as a result of the scale back, Remgro sold 7 607 803 Distell shares to Heineken Beverages on 26 April 2023 for R1 255 million (being R165 per Distell share) and exchanged the remaining 62 242 453 Distell shares for 62 242 453 Heineken Beverages shares (representing an interest of 15.5%). Following the implementation of the transaction, Remgro acquired a further 13 218 475 shares in Heineken Beverages for R2 181 million (or R165 per share excluding transaction costs), in a series of off-market transactions. These transactions increased Remgro's interest in Heineken Beverages to 18.8%. As Remgro has significant influence over Heineken Beverages through its board representation, the investment is classified as an associate and is accounted for using the equity method. Both Remgro and Heineken Beverages made fair value adjustments to the statements of financial position of Heineken Beverages and Distell and Namibia Breweries, respectively. These fair value adjustments mainly relate to the various brands held by these companies (*inter alia Savanna, Heineken, Amstel, Windhoek Lager* and *Amarula*), as well as Distell's properties and inventory. Going forward, Remgro will account for depreciation and amortisation on these additional assets identified, inside headline earnings.

Remgro did not accept the cash offer made by Heineken for the Capevin shares and, as a result, Remgro's shareholding in Capevin mirrors the shareholding that was previously held in Distell, being an economic interest of 31.4% and a voting interest of 55.9%. Therefore, the Capevin investment remains classified as a subsidiary.

Community Investment Ventures Holdings Proprietary Limited (CIVH)

As previously reported, Vodacom Proprietary Limited (Vodacom) will, through a combination of assets of approximately R4.2 billion and cash of at least R6.0 billion, acquire up to 40% of the ordinary shares of a newly created wholly owned subsidiary of CIVH (namely Maziv Proprietary Limited (Maziv)). Maziv holds *inter alia* CIVH's current interests in Vumatel and DFA. As a result of the proposed transaction, Remgro's indirect interest in DFA and Vumatel will dilute with the entrance of Vodacom as a shareholder, however Remgro will also obtain an indirect interest in the assets contributed by Vodacom. During August 2023, The Competition Commission South Africa announced its non-binding recommendation to the Competition Tribunal, to prohibit the proposed transaction. Remgro and CIVH remain committed to the proposed transaction and firmly believe that, should the implementation of the proposed transaction ultimately be permitted by the Competition Tribunal, it will deliver significant benefits to South African consumers and the broader economy.

Grindrod Limited (Grindrod)

On 17 October 2022 Remgro unbundled its investment in Grindrod to its shareholders as a dividend *in specie* amounting to R1 640 million, in the ratio of 30.70841 Grindrod shares for every 100 Remgro shares held.

15. Events after year-end

RCL Foods: Sale of Vector Logistics

The sale of the RCL Foods' Vector Logistics segment, which has been presented as held for sale at 30 June 2023, was finalised on 28 August 2023, resulting in a net cash receipt of R1 307 million, comprising the purchase price of R1 250 million, plus interest and less the post-tax share option liability of Vector Logistics. The purchase price is subject to certain EBITDA targets being met, which may result in a future upwards or downwards adjustment of up to R100 million in the purchase price. The transition of Vector Logistics out of RCL Foods and its shared services platform is expected to take place over the next 12 months.

Capevin: Termination of Gordon's Gin distribution agreement

The Gordon's Gin and Pimm's No1 Cup distribution agreement, which has been presented as held for sale at 30 June 2023, was included in the remaining assets that were allocated to Capevin as part of the Distell/Heineken transaction. On 19 July 2023 the Competition Commission of South Africa approved the proposed transaction, whereby this distribution agreement will be terminated in favour of the brand owner Diageo, without conditions. The consideration amounts to R1 billion, of which R700 million was received on 4 August 2023. The outstanding amount of R300 million is payable over the next ten months subject to achieving certain thresholds relating to the continued supply and manufacturing of the products by Capevin to Diageo.

Other than the above-mentioned events, there were no other significant events subsequent to 30 June 2023.

16. Discontinued operations

16.1 Disposal of certain assets and liabilities of Distell

Refer to "*Comparison with prior year*" on page 148.

16.2 Transfer to non-current assets/(liabilities) held for sale of Vector Logistics

Refer to "*Comparison with prior year*" on page 148.

16.3 Gordon's Gin

During May 2023 Capevin reached an agreement with Diageo Brands B.V. to terminate the longstanding Gordon's Gin and Pimm's No1 Cup distribution agreement. The financial results of the disposed business have been disclosed as part of discontinued operations and the related assets and liabilities transferred to held for sale.

	30 June 2023			
R million	**Distell**	**Vector Logistics**	**Gordon's Gin**	**Total**
Profit for the year from discontinued operations:				
Revenue	**27 296**	**3 067**	**2 329**	**32 692**
Inventory expenses	**(17 990)**	**(597)**	**(1 864)**	**(20 451)**
Staff costs	**(2 892)**	**(1 124)**	**(16)**	**(4 032)**
Depreciation	**(669)**	**(150)**	**–**	**(819)**
Other net operating expenses	**(4 181)**	**(1 041)**	**(224)**	**(5 446)**
Trading profit	**1 564**	**155**	**225**	**1 944**
Dividend income	**3**	**6**	**–**	**9**
Interest received	**108**	**31**	**–**	**139**
Finance costs	**(198)**	**(111)**	**–**	**(309)**
Loss allowances on loans	**(22)**	**–**	**–**	**(22)**
Consolidated profit before tax	**1 455**	**81**	**225**	**1 761**
Taxation	**(478)**	**(17)**	**(61)**	**(556)**
Consolidated profit after tax	**977**	**64**	**164**	**1 205**
Share of after-tax profit of equity accounted investments	**164**	**12**	**–**	**176**
Net profit for the year from discontinued operations	**1 141**	**76**	**164**	**1 381**
Profit on sale of investments	**4 374**	**–**	**–**	**4 374**
Reserves recycled	**(23)**	**–**	**–**	**(23)**
Taxation	**(615)**	**–**	**–**	**(615)**
Total profit for the year from discontinued operations	**4 877**	**76**	**164**	**5 117**
Attributable to:				
Equity holders	**3 677**	**59**	**52**	**3 788**
Non-controlling interest	**1 200**	**17**	**112**	**1 329**
Other comprehensive income for the year from discontinued operations:				
Net profit for the year	**4 877**	**76**	**164**	**5 117**
Exchange rate adjustments	**(174)**	**3**	**–**	**(171)**
Fair value adjustments	**4**	**–**	**–**	**4**
Reclassification of other comprehensive income to the income statement	**22**	**–**	**–**	**22**
Remeasurement of post-employment benefit obligations	**(24)**	**2**	**–**	**(22)**
Deferred taxation on remeasurement of post-employment benefit obligations	**6**	**–**	**–**	**6**
Total comprehensive income	**4 711**	**81**	**164**	**4 956**
Attributable to:				
Equity holders	**3 623**	**63**	**52**	**3 738**
Non-controlling interest	**1 088**	**18**	**112**	**1 218**
Cash flows for the year from discontinued operations:				
Operating activities	**(457)**	**(197)**	**15**	**(639)**
Investment activities	**184**	**(179)**	**–**	**5**
Financing activities	**(1 044)**	**(126)**	**–**	**(1 170)**
Net increase/(decrease) in cash generated	**(1 317)**	**(502)**	**15**	**(1 804)**

16. Discontinued operations (continued)

R million	Distell	Vector Logistics	Gordon's Gin	Total
	30 June 2022			
Profit for the year from discontinued operations:				
Revenue	29 202	2 706	2 312	34 220
Inventory expenses	(18 914)	(451)	(1 765)	(21 130)
Staff costs	(2 756)	(1 084)	–	(3 840)
Depreciation	(769)	(179)	–	(948)
Other net operating expenses	(4 287)	(846)	(166)	(5 299)
Trading profit	2 476	146	381	3 003
Dividend income	6	–	–	6
Interest received	126	23	–	149
Finance costs	(249)	(93)	–	(342)
Impairment of investments, assets and goodwill	–	(6)	–	(6)
Loss allowances on loans	(7)	–	–	(7)
Consolidated profit before tax	2 352	70	381	2 803
Taxation	(719)	(19)	(107)	(845)
Consolidated profit after tax	1 633	51	274	1 958
Share of after-tax profit of equity accounted investments	181	13	–	194
Net profit for the year from discontinued operations	1 814	64	274	2 152
Attributable to:				
Equity holders	557	50	87	694
Non-controlling interest	1 257	14	187	1 458
Other comprehensive income for the year from discontinued operations				
Net profit for the year	1 814	64	274	2 152
Exchange rate adjustments	16	1	–	17
Fair value adjustments	37	–	–	37
Other comprehensive income of equity accounted investments	2	–	–	2
Remeasurement of post-employment benefit obligations	60	–	–	60
Deferred taxation on remeasurement of post-employment benefit obligations	(7)	–	–	(7)
Total comprehensive income	1 922	65	274	2 261
Attributable to:				
Equity holders	591	51	87	729
Non-controlling interest	1 331	14	187	1 532
Cash flows for the year from discontinued operations:				
Operating activities	2 988	344	–	3 332
Investment activities	(1 324)	(149)	–	(1 473)
Financing activities	(1 164)	(150)	–	(1 314)
Net increase/(decrease) in cash generated	500	45	–	545

ANNEXURE A
Segment report

R million	Year ended 30 June 2023 Headline earnings[1]	30 June 2023 Net assets Book value[2]	30 June 2023 Net assets Intrinsic value	Year ended 30 June 2022 Headline earnings[1]	30 June 2022 Net assets Book value[2]	30 June 2022 Net assets Intrinsic value
Healthcare						
Mediclinic	**1 691**	**41 050**	**47 268**	1 267	26 681	29 568
Consumer products						
Distell – entity contribution	**555**			735	8 386	11 969
– *IFRS 3 charge*[3]	**(32)**			(11)	–	–
Heineken Beverages – entity contribution	**(75)**	**12 495**	**12 451**			
– *IFRS 3 charge*[3]	**(6)**	**–**	**–**			
Capevin	**14**	**1 677**	**1 576**			
RCL Foods	**488**	**9 152**	**7 141**	846	8 816	7 355
Siqalo Foods – entity contribution	**344**	**6 212**	**6 007**	401	6 261	6 345
– *IFRS 3 charge*[3]	**(80)**	**–**	**–**	(65)	–	–
Financial services						
OUTsurance Group	**888**	**5 764**	**15 957**	796	5 307	13 069
Business Partners	**72**	**1 289**	**1 260**	70	1 193	1 193
Infrastructure						
CIVH	**206**	**7 025**	**14 300**	47	6 905	13 756
Grindrod	**61**			263	1 559	1 559
SEACOM	**47**	**98**	**796**	37	40	776
Other infrastructure investments	**3**	**57**	**57**	266	67	67
Industrial						
Air Products	**476**	**1 282**	**4 911**	422	1 162	4 690
TotalEnergies	**54**	**3 063**	**3 338**	1 076	3 158	3 274
Wispeco	**313**	**1 619**	**1 330**	281	1 448	1 402
Other industrial investments	**25**	**204**	**320**	21	189	379
Diversified investment vehicles						
KTH	**437**	**1 878**	**2 370**	80	1 497	2 145
Prescient China Equity Fund	**–**	**1 137**	**1 137**	–	1 189	1 189
Invenfin	**34**	**771**	**1 136**	6	804	1 050
Other diversified investment vehicles	**363**	**1 760**	**1 760**	9	1 864	1 864
Media						
eMedia Investments	**130**	**897**	**659**	145	856	738
Other media investments	**41**	**154**	**182**	33	111	150
Portfolio investments						
FirstRand	**605**	**6 889**	**6 889**	389	7 141	7 141
Discovery	**–**	**6 167**	**6 167**	–	5 410	5 410
Momentum Metropolitan	**141**	**1 816**	**1 816**	–	1 439	1 439
Other portfolio investments	**58**	**769**	**769**	55	809	809
Social impact investments	**(24)**	**126**	**126**	(20)	132	132
Central treasury						
Finance income/cash at the centre	**650**	**9 001**	**9 001**	224	12 280	12 280
Finance costs/debt at the centre	**(628)**	**(7 857)**	**(7 857)**	(627)	(7 838)	(7 838)
Other net corporate income/(costs)/assets	**205**	**1 425**	**2 122**	(252)	1 577	2 221
	7 056	**115 920**	**142 989**	6 494	98 443	124 132
Potential CGT liability			**(4 186)**			(3 930)
Total	**7 056**	**115 920**	**138 803**	6 494	98 443	120 202

Additional segmental information is disclosed in note 2 and 12.1 in the Annual Financial Statements that is published on the Company's website at www.remgro.com.

[1] *Refer to note 3 for the calculation of headline earnings.*
[2] *Total book value equals shareholders' equity.*
[3] *IFRS 3 charge represents the amortisation and depreciation expenses, net of tax, relating to the additional assets identified when Remgro acquired these investments.*

ADDITIONAL information

The 2023 Annual General Meeting
will be held on Monday, 4 December 2023.
Shareholders are invited to engage with the Board.

UNDERSTANDING the business of Remgro

Understanding Remgro's statutory reporting on net profit

In order to understand Remgro's cash generation process, one first needs to understand its reported results.

Remgro's statutory reported net profit consists primarily of the following:

- Consolidated results of its operating subsidiaries, i.e. RCL Foods, Wispeco, Siqalo Foods and Capevin;
- Equity accounted results of its investments in associates and joint ventures, e.g. Mediclinic, OUTsurance Group, CIVH, Heineken Beverages, Air Products and TotalEnergies;
- Profit/loss on the realisation of investments;
- Net impairment of investments;
- Dividends received from investee companies not classified as subsidiaries, associates and joint ventures, e.g. FirstRand, Discovery and Momentum Metropolitan, the Milestone China Funds and the Pembani Remgro Infrastructure Fund;
- Interest received;
- Interest paid;
- Net corporate costs, including remuneration and other benefits paid to employees; and
- Taxation.

Capital allocation – Remgro's most critical function

Capital is expensive and not infinite. As we deal with an uncertain future, exacerbated by current global economic and geopolitical pressures, and inevitably base capital allocation decisions on certain assumptions about the future, we need to be prudent and have a margin of safety built into these investment decisions.

It is important to be disciplined in our allocation of capital and, to monitor, and if necessary act quickly and decisively. A large part of Remgro's successful track record of value creation is attributable to being able to balance our investments with a mix of young growth companies, network assets and more established cash-generating companies to ensure superior returns to shareholders by way of sustainable dividends and capital growth.

Building on its stated commitment of 2021 to make Environmental, Social and Governance (ESG) and the transition to corporate sustainability integral to its core strategy, Remgro continues to focus on the critical role of responsible stewardship in the management of its assets and the pursuit of new investments with the aim to deliver sustainable financial returns, while contributing to measurable positive social and environmental impact to deliver shared value to all stakeholders. Remgro's ESG Investment Framework provides clear guidelines for capital allocation decisions in line with its ESG ambitions to create environmental, social and economic change throughout our ecosystem.

Investment holding company

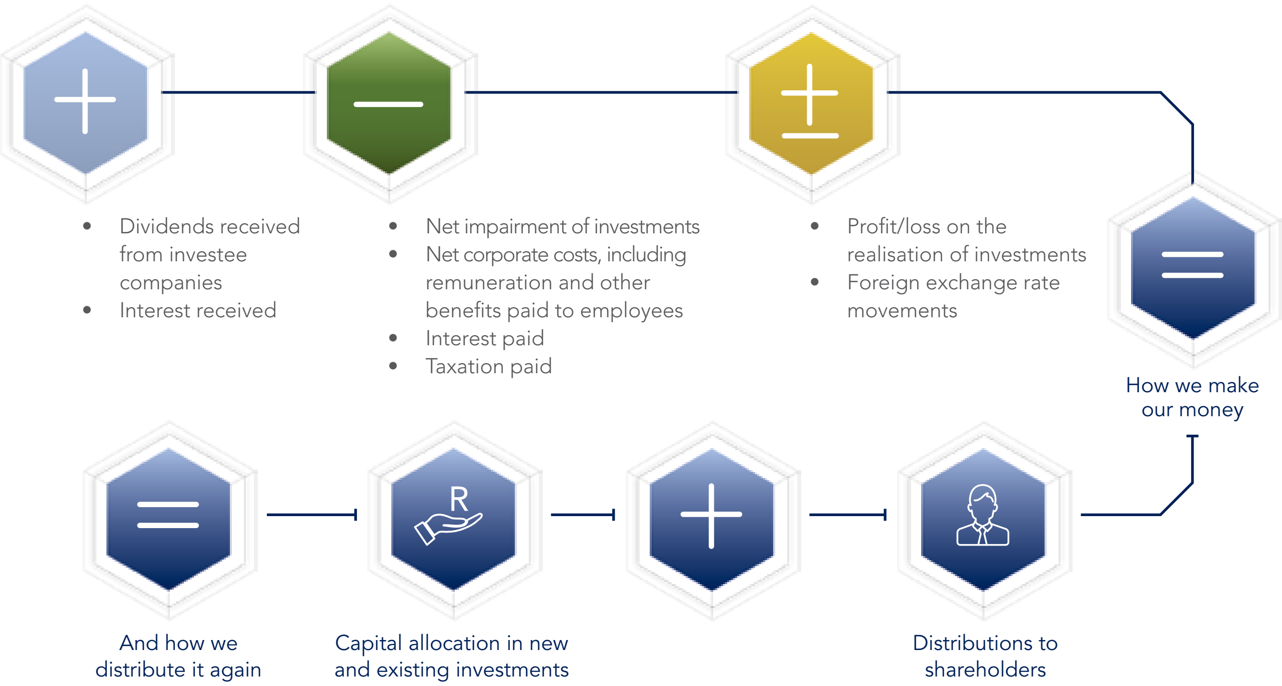
Remgro strives to enable investee companies to fulfil their growth strategies and targets that achieves shared value for all stakeholders over the long term. The support we provide, irrespective of our level of influence, includes:

- Strategic input
- Capital allocation
  - Patient financial capital to support growth strategies
  - Manufactured capital
  - Human capital in management support
  - Relationship capital in identification of opportunities
  - Intellectual capital
  - Responsible investment principles integrating impact throughout the investment lifecycle to improve ESG performance
  - ESG principles, targets and disclosure guidance
- Dealmaking ability (environment for corporate transactions)
- Decentralised management approach
- Treasury services (as required)
- Internal audit and risk services (as required)
- Formal and informal associations, providing our investee companies with opportunities to benefit from a wider network

Investments

The value and performance of the underlying investments, rather than the activities at holding company level, will determine to a large extent the value created for an investment holding company's shareholders, although dealmaking at holding company level can also add significant value.

The best approximation of Remgro's profit at holding company level (at the centre) comprises:



Given its nature as an investment holding company and the substantial amount of cash held and managed, the control of treasury risks is regarded as very important, which is covered in the Chief Financial Officer's Report on page 28.

Distributions to shareholders

Cash distributions are funded from dividend income and interest received at the centre. Our normal dividend objective is to provide shareholders with a consistent annual dividend flow that at least protects them against inflationary pressures. As in the past, Remgro consistently evaluates the appropriateness of other distributions in the form of special dividends, share buy-backs or the unbundling of investments to shareholders.

Measuring success through intrinsic value

Remgro further measures its performance in terms of the increase in its intrinsic net asset value. This measures the growth in the value of the various underlying investee companies, measured by listed market value or, in the case of unlisted investments, applying the principles of *IFRS 13: Fair Value Measurement*. Refer to the Chief Executive Officer's Report on page 21 for a detailed analysis of Remgro's intrinsic net asset value, briefly citing the differences between an *IFRS 13* valuation and a transactional valuation.

COMPANY HISTORY
Creating shareholder value since 1948

1940s

Remgro's founding history goes back to the forties of the previous century when the founder of the Group, Dr Anton Rupert, established the tobacco company Voorbrand, forerunner of Rembrandt Group Limited (Rembrandt), in Johannesburg, South Africa. Rembrandt was incorporated in 1948.

Rembrandt entered the South African cigarette and tobacco industry in 1948 and in the fifties expanded overseas through international partnerships.

Rembrandt's interests in the wine and spirits industry also date back to the 1940s when Dr Rupert and Mr D W R Hertzog founded Distillers Corporation.

1950s

Rembrandt was listed on the Johannesburg Stock Exchange in 1956.

Over the **75 years of our rich history,** we pride ourselves in our **proven track record** to deliver superior returns to shareholders by timely **identifying opportunities** presented by newly established, maturing and/or pivoting industries and business models.

1970s

In 1972, the overseas tobacco interests of Rembrandt were consolidated in Rothmans International, which was listed on the London Stock Exchange.

Since the 1970s Rembrandt expanded its interests outside tobacco, wine and spirits with investments in various other economic sectors in South Africa, amongst which were banking and financial services, mining, printing and packaging, medical services, engineering and food interests.

1980s

In 1988 the separation of local and overseas interests was affected by the founding of Compagnie Financière Richemont AG (Richemont) – a Swiss-listed luxury goods group that included brands such as *Cartier, Dunhill* and *Mont Blanc* which then acquired a share in Rothmans International.

1990s

During 1993, Rembrandt co-founded South Africa's first cellular telephony company, Vodacom, which was eventually disposed of in 2006 by VenFin Limited (VenFin). In 1995, Rembrandt and Richemont consolidated their respective tobacco interests in Rothmans International, at the time the world's fourth largest cigarette manufacturer, which was then delisted, and then in 1999 merged these interests with those of British American Tobacco plc (BAT), the world's second largest cigarette producer. Since then the investment in BAT has been held through a joint holding company in which Rembrandt (Remgro's predecessor) and Richemont held 33⅓% and 66⅔% respectively. Following the above restructuring, Rembrandt became a pure investment holding company.

2000

In September 2000, the restructuring of Rembrandt was advanced when the South African holding structure, consisting of four listed companies, was collapsed into two listed companies, namely Remgro and VenFin. Following this, Remgro represented Rembrandt's established tobacco, financial services, mining and industrial interests. The telecommunication and technology interests were housed in VenFin.

2001

In January 2001, Remgro exchanged its 8.2% interest in Billiton plc and its 11.3% interest in Gold Fields Limited for a 9.3% interest in FirstRand Limited and a 23.1% interest in Rand Merchant Bank Holdings Limited.

2023

In June 2023, Remgro and MSC Mediterranean Shipping Company SA acquired the entire issued ordinary share capital of Mediclinic, other than the Mediclinic shares Remgro already owned. Mediclinic shareholders received 501 pence per Mediclinic share. Remgro invested a further £221 million and increased its interest in Mediclinic from 44.6% to 50.0%.

In April 2023, the Heineken International B.V. Southern African business, including an interest in Namibia Breweries Limited, combined with the bulk of the Distell Group Holdings Limited (Distell) business (consisting of its cider, other RTDs and spirits and wine business) in Heineken Beverages Holdings Limited (Heineken Beverages). Remgro received a 15.5% interest in Heineken Beverages and has subsequently increased its investment to 18.8%. Distell simultaneously unbundled its subsidiary, Capevin Holdings Proprietary Limited (Capevin), which held Distell's remaining assets, including its Scotch whisky business, and Remgro received an economic interest of 31.4% in Capevin.

History also shows that we take our fundamental responsibility to be a **good corporate citizen** seriously and strive to ensure this remains part of our core value system. As the future unfolds, **we are committed** to playing **a leading role in** driving the **sustainability agenda.**

2020

In June 2020, Remgro unbundled its 28.2% investment in RMB Holdings Limited by way of an interim dividend *in specie* amounting to R23.9 billion.

2018

In July 2018, Remgro disposed of its 25.75% shareholding in Unilever South Africa Proprietary Limited (Unilever) in exchange for Unilever's Spreads business in Southern Africa, now Siqalo Foods, for R7 000 million, and a cash consideration of R4 900 million.

2017

In October 2016 Remgro completed a rights issue for a total consideration of R9 945 million, to have cash resources and flexibility to capitalise on investment opportunities.

2016

In June 2015 Remgro facilitated Mediclinic International Limited's (Mediclinic) acquisition of a 29.9% stake in Spire Healthcare Group plc and participated in a Mediclinic rights issue. Mediclinic and Al Noor Hospitals Group plc combined in February 2016.

2008

In November 2008, Remgro unbundled its investment in BAT by way of an interim dividend *in specie* amounting to R55.2 billion. Following the BAT unbundling, the Group's remaining interests consisted mainly of investments in banking and financial services, printing and packaging, motor components, glass products, medical services, mining, petroleum products, food, wine and spirits and various other trade mark products.

At 30 June 2023, the value of the unbundled BAT shares has increased to R133.4 billion.

2009

In November 2009 Remgro and VenFin merged again, adding media and technology interests to the Group's investments.

SHAREHOLDERS' DIARY and Company information

Dates of importance to shareholders

Financial year-end	30 June
Annual General Meeting	Monday, 4 December 2023
Financial reports	
Announcement of interim results	March
Interim report	March
Announcement of annual results	September
Annual Financial Statements	September
Integrated Annual Report	October
Dividends	
Interim dividend	
– declared	March
– paid	April
Final dividend	
– declared	September
– paid	November
Final dividend No. 46	
Ordinary dividend per share	240 cents
Last day to trade in order to participate in the dividend	Tuesday, 7 November 2023
Shares trade ex dividend	Wednesday, 8 November 2023
Record date	Friday, 10 November 2023
Payment date	Monday, 13 November 2023

Company information

Company Secretary

D I Dreyer

Business address and registered office

Millennia Park
16 Stellentia Avenue
Stellenbosch
7600

PO Box 456
Stellenbosch
7599

Transfer Secretaries

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank
2196

Private Bag X9000
Saxonwold
2132

Auditor

PricewaterhouseCoopers Inc.
Stellenbosch, South Africa

Listings

Primary listing – JSE Limited
Sector: Financials – Financial Services – Investment Banking and Brokerage Services – Diversified Financial Services
Secondary listing – A2X Proprietary Limited

Sponsor

Rand Merchant Bank
(A division of FirstRand Bank Limited)

Website

www.remgro.com

FIVE-YEAR REVIEW and share statistics

Consolidated income statements

R million	**Year ended 30 June 2023**	Year ended 30 June 2022	Year ended 30 June 2021	Year ended 30 June 2020	Year ended 30 June 2019
Profit before taking into account the following	**5 262**	5 009	3 713	579	3 259
Non-recurring and capital items and impairments	**4 089**	592	859	7 334	963
Consolidated profit before tax	**9 351**	5 601	4 572	7 913	4 222
Taxation	**(2 003)**	(1 602)	(1 135)	(452)	(987)
Consolidated profit after tax	**7 348**	3 999	3 437	7 461	3 235
Share in after-tax profit/(loss) of equity accounted investments	**3 472**	10 980	1 618	(878)	4 517
Net profit after tax	**10 820**	14 979	5 055	6 583	7 752
Non-controlling interest	**(1 196)**	(1 840)	(1 505)	63	(433)
Attributable net profit for the period	**9 624**	13 139	3 550	6 646	7 319
Headline earnings	**7 056**	6 494	2 885	3 167	8 195
Headline earnings per share (cents)	**1 254**	1 151	511	561	1 449
Earnings per share (cents)	**1 710**	2 328	628	1 176	1 294
Dividends per share (cents)					
– Ordinary	**240**	150	90	265	564

Consolidated statements of financial position

R million	**30 June 2023**	30 June 2022	30 June 2021	30 June 2020	30 June 2019
Property, plant and equipment, biological agricultural assets and investment properties	**10 230**	17 968	16 889	16 954	14 660
Investments – Equity accounted	**76 445**	50 771	50 207	50 991	71 183
Other non-current assets	**33 939**	42 250	36 282	35 221	29 156
Current assets	**30 351**	45 709	37 388	43 933	40 539
Total assets	**150 965**	156 698	140 766	147 099	155 538
Total equity	**122 441**	115 880	103 576	101 443	116 189
Non-current liabilities	**11 787**	21 128	20 103	23 139	26 770
Current liabilities	**16 737**	19 690	17 087	22 517	12 579
Total equity and liabilities	**150 965**	156 698	140 766	147 099	155 538
Net asset value per share (Rand)					
(attributable to equity holders)					
– at book value[(1)]	**207.51**	174.52	155.86	153.59	178.95
– at intrinsic value[(1)]	**248.47**	213.10	177.33	154.47	233.03

(1) *Decrease from 30 June 2019 reflects the RMH Unbundling and negative impact of Covid-19 on market values (listeds) and fair values (unlisteds) of underlying investment companies.*

FIVE-YEAR REVIEW
and share statistics (continued)

Consolidated statements of cash flows

R million	**Year ended 30 June 2023**	Year ended 30 June 2022	Year ended 30 June 2021	Year ended 30 June 2020	Year ended 30 June 2019
Cash flow generated from returns on investments	**4 936**	9 589	6 593	8 058	7 555
Taxation paid	**(2 051)**	(1 430)	(1 628)	(772)	(1 217)
Cash available from operating activities	**2 885**	8 159	4 965	7 286	6 338
Dividends paid	**(1 075)**	(721)	(506)	(3 883)	(3 759)
Cash flow from operating activities	**1 810**	7 438	4 459	3 403	2 579
Net investing activities	**(5 451)**	(2 672)	(1 200)	(1 478)	(2 203)
Net financing activities	**(2 675)**	(1 862)	(7 877)	(251)	(816)
Net increase/(decrease) in cash and cash equivalents	**(6 316)**	2 904	(4 618)	1 674	(440)

Share statistics

	Year ended 30 June 2023	Year ended 30 June 2022	Year ended 30 June 2021	Year ended 30 June 2020	Year ended 30 June 2019
Weighted number of unlisted B ordinary shares ('000)	**39 057**	39 057	39 057	39 057	39 057
JSE Limited					
Weighted number of Remgro ordinary shares in issue					
– excluding the unlisted B ordinary shares ('000)	**523 688**	525 361	525 928	525 904	526 562
Market capitalisation at end of period (R million)					
– ordinary shares only	**77 821**	68 751	60 648	52 869	99 440
Price (cents per share)					
– Last day of period	**14 705**	12 991	11 460	9 990	18 790
– Highest	**14 757**	15 355	12 327	20 131	21 760
– Lowest	**12 573**	10 800	8 388	9 990	17 541
Number of shares traded ('000)	**283 470**	339 250	410 887	404 004	291 284
Value of shares traded (R million)	**38 755**	45 148	40 883	64 127	57 624
Shares traded/weighted number of ordinary shares (%)	**54.1**	64.6	78.1	76.8	55.3
Number of transactions	**823 782**	804 568	988 095	1 244 812	1 068 333

SHAREHOLDERS' INFORMATION
Statistics at 30 June 2023

	30 June 2023 %	30 June 2023 Number of shares	30 June 2022 %	30 June 2022 Number of shares
Major beneficial shareholders				
Ordinary shares				
Public Investment Corporation	**16.62**	**87 952 515**	17.19	90 996 741
Other	**83.38**	**441 264 492**	82.81	438 220 266
	100.00	**529 217 007**	100.00	529 217 007
B ordinary shares				
Rupert Beleggings Proprietary Limited	**100.00**	**39 056 987**	100.00	39 056 987
Total		**568 273 994**		568 273 994

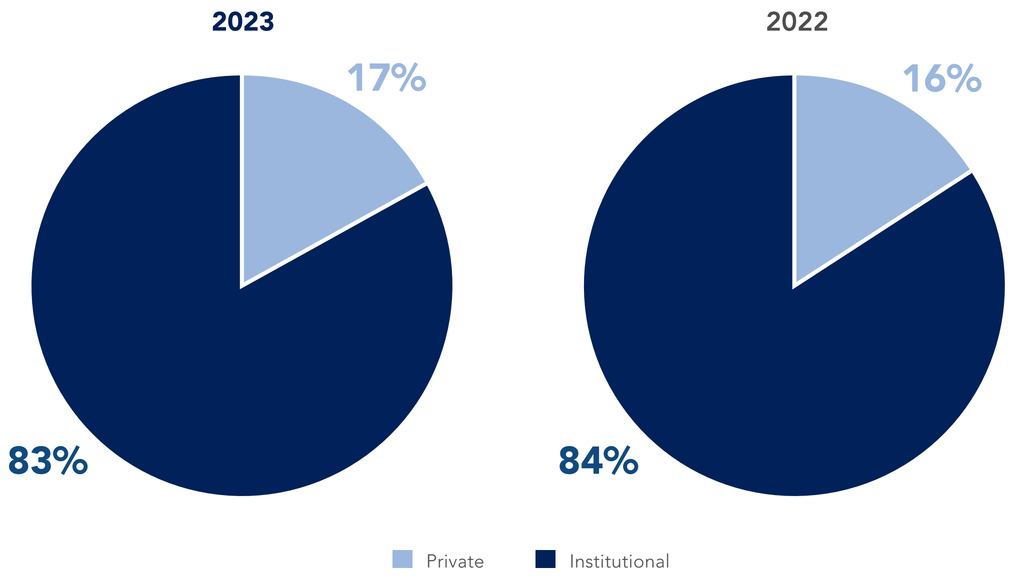
No other shareholder held a beneficial interest of more than 5% in the ordinary shares of the Company on 30 June 2023.

	30 June 2023	30 June 2022	30 June 2021	30 June 2020
Distribution of shareholders				
Ordinary shares				
Public shareholders	**48 499**	43 862	42 694	51 228
Percentage of shareholders	**99.93**	99.92	99.90	99.92
Number of shares	**501 648 454**	507 156 402	508 022 210	507 822 981
Percentage of shares issued	**94.79**	95.83	96.00	95.96
Non-public shareholders				
Directors (including major subsidiaries' directors) and their associates/Share Trust/Treasury shares/Prescribed officers/associates of Remgro and/or its major subsidiaries	**36**	37	44	43
Percentage of shareholders	**0.07**	0.08	0.10	0.08
Number of shares	**27 568 553**	22 060 605	21 194 797	21 394 026
Percentage of shares issued	**5.21**	4.17	4.00	4.04
Number of shareholders	**48 535**	43 899	42 738	51 271

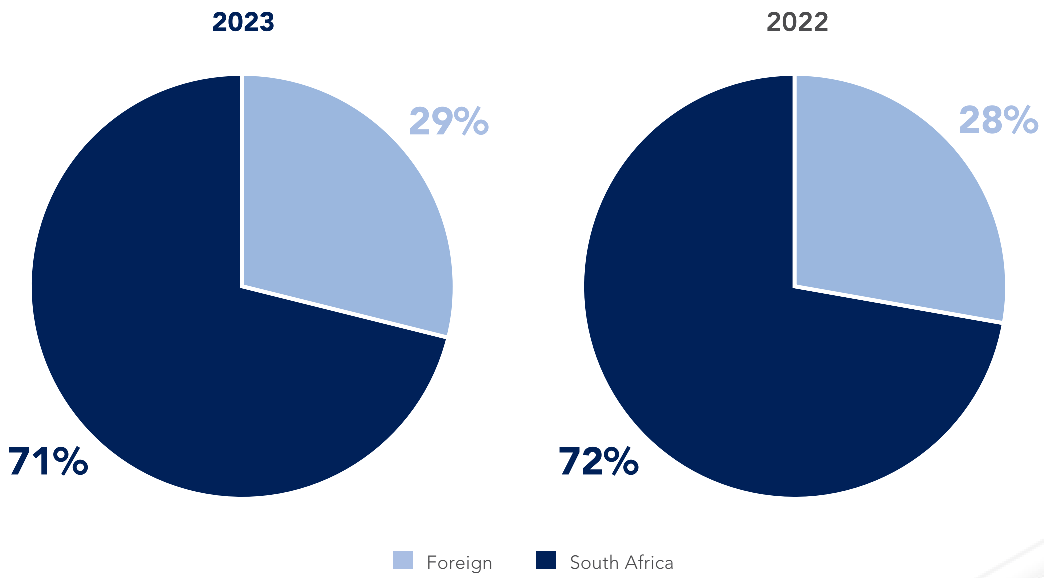
	30 June 2023	30 June 2022	30 June 2021	30 June 2020
Number of shares in issue				
– Ordinary shares of no par value	**529 217 007**	529 217 007	529 217 007	529 217 007
– Unlisted B ordinary shares of no par value	**39 056 987**	39 056 987	39 056 987	39 056 987
Total number of shares in issue	**568 273 994**	568 273 994	568 273 994	568 273 994
Number of shares held in treasury				
Ordinary shares repurchased and held in treasury	**(9 646 270)**	(4 205 497)	(3 280 163)	(3 297 213)
	558 627 724	564 068 497	564 993 831	564 976 781
Weighted number of shares	**562 745 046**	564 417 614	564 984 762	564 961 299

Additional information

Institutional and private shareholding in Remgro Limited ordinary shares



Foreign and local shareholding in Remgro Limited ordinary shares



Interests of the directors in the issued capital of the Company

Ordinary shares

Directors	Direct beneficial	Indirect beneficial	Associates	Total
30 June 2023				
S E N De Bruyn	**497**	**–**	**–**	**497**
J J Durand[(1)]	**31 024**	**849 376**	**1 650**	**882 050**
M Lubbe	**32 184**	**–**	**–**	**32 184**
N P Mageza	**–**	**296**	**–**	**296**
J Malherbe	**–**	**1 176 061**	**2 934**	**1 178 995**
P J Moleketi	**1 243**	**–**	**19 718**	**20 961**
M Morobe	**–**	**–**	**–**	**–**
P J Neethling	**–**	**–**	**7 898 806**	**7 898 806**
K S Rantloane	**57**	**–**	**–**	**57**
F Robertson	**–**	**5 500**	**–**	**5 500**
J P Rupert[(2)]	**–**	**–**	**7 553 865**	**7 553 865**
N J Williams[(3)]	**34 499**	**–**	**66 000**	**100 499**
	99 504	**2 031 233**	**15 542 973**	**17 673 710**

(1) *Of Mr J J Durand's shareholding, 203 500 shares have been pledged as collateral for an overdraft facility at a financial institution.*
(2) *Messrs J P Rupert and A E Rupert are both directors of an associate that holds 7 551 005 ordinary shares in Remgro Limited.*
(3) *Of Mr N J Williams's shareholding, 34 499 shares have been pledged as collateral for an overdraft facility at a financial institution.*

Dr T Leoka has been appointed as a non-executive independent director on 22 March 2023 and holds no shares in Remgro Limited.

Directors	Direct beneficial	Indirect beneficial	Associates	Total
30 June 2022				
S E N De Bruyn	497	–	–	497
J J Durand[(1)]	–	849 376	1 650	851 026
M Lubbe	32 184	–	–	32 184
N P Mageza	–	296	–	296
J Malherbe	–	1 176 061	2 934	1 178 995
P J Moleketi	1 243	–	19 718	20 961
M Morobe	–	633	–	633
P J Neethling	–	–	7 898 806	7 898 806
K S Rantloane	57	–	–	57
F Robertson	–	5 500	–	5 500
J P Rupert[(2)]	–	–	7 553 865	7 553 865
N J Williams[(3)]	25 000	–	66 000	91 000
	58 981	2 031 866	15 542 973	17 633 820

(1) *Of Mr J J Durand's shareholding, 203 500 shares have been pledged as collateral for an overdraft facility at a financial institution.*
(2) *Messrs J P Rupert and A E Rupert are both directors of an associate that holds 7 551 005 ordinary shares in Remgro Limited.*
(3) *Of Mr N J Williams's shareholding, 25 000 shares have been pledged as collateral for an overdraft facility at a financial institution.*

B ordinary shares

Mr J P Rupert is a director of Rupert Beleggings Proprietary Limited which owns all the issued unlisted B ordinary shares.

Since the end of the financial year to the date of this report the interests of the directors remained unchanged.

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 2023 Annual General Meeting of Remgro Limited (the Company) will be held as a hybrid meeting on Monday, 4 December 2023, at 09:00 am, at The Lord Charles Hotel, Corner of Main Road and Broadway Boulevard, Somerset West, 7130 and via electronic communication (the AGM), to consider and, if deemed fit, to pass the ordinary and special resolutions detailed below, with or without modification. Shareholders are invited to join the AGM physically or via electronic communication and participation via the Lumi platform in accordance with section 63(2)(b) of the Companies Act (No. 71 of 2008), as amended (Companies Act) and clause 22 of the Company's Memorandum of Incorporation (Memorandum of Incorporation).

1. Approval of Annual Financial Statements

Ordinary Resolution Number 1

Resolved that the audited Annual Financial Statements, including the Report of the Board of Directors of the Company (Board), the Report of the Independent Auditor and the Audit and Risk Committee Report, of the Company and its Group (Group) for the financial year ended 30 June 2023, be accepted and approved.

Additional information in respect of Ordinary Resolution Number 1

In terms of the provisions of section 30(3)(d) of the Companies Act, the Company's Annual Financial Statements and the Group Annual Financial Statements have to be presented to the shareholders at the AGM for consideration.

The complete audited Annual Financial Statements, including the Report of the Board, the Report of the Independent Auditor and the Audit and Risk Committee Report, of the Company and the Group for the financial year ended 30 June 2023 are published on the Company's website at www.remgro.com. The Report of the Board, the Report of the Independent Auditor, the Audit and Risk Committee Report and the summary Annual Financial Statements are included in the Integrated Annual Report on pages 138, 143, 135 and 144 respectively.

2. Appointment of auditor

Ordinary Resolution Number 2

Resolved that the appointment of Ernst and Young Inc., who is independent from the Company, as the Company's auditor, as nominated by the Company's Audit and Risk Committee, be approved and to note that the individual registered auditor who will perform the function of auditor during the financial year ending 30 June 2024, is Mr M Rapson.

Additional information in respect of Ordinary Resolution Number 2

In terms of the provisions of section 90(1) of the Companies Act, a public company shall at each Annual General Meeting appoint an auditor to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting of the Company.

3. Election of director

Ordinary Resolution Number 3

Resolved that Mr N P Mageza who retires as director in terms of clause 27.4.3.1 of the Memorandum of Incorporation and who has offered himself and is eligible for re-election, be and is hereby re-elected as a director of the Company.

4. Election of director

Ordinary Resolution Number 4

Resolved that Mr G G Nieuwoudt who retires as director in terms of clause 27.4.3.1 of the Memorandum of Incorporation and who has offered himself and is eligible for re-election, be and is hereby re-elected as a director of the Company.

5. Election of director

Ordinary Resolution Number 5

Resolved that Mr K S Rantloane who retires as director in terms of clause 27.4.3.1 of the Memorandum of Incorporation and who has offered himself and is eligible for re-election, be and is hereby re-elected as a director of the Company.

6. Election of director

Ordinary Resolution Number 6

Resolved that Mr J P Rupert who retires as director in terms of clause 27.4.3.1 of the Memorandum of Incorporation and who has offered himself and is eligible for re-election, be and is hereby re-elected as a director of the Company.

7. Election of director

Ordinary Resolution Number 7

Resolved that Mr N J Williams who retires as director in terms of clause 27.4.3.1 of the Memorandum of Incorporation and who has offered himself and is eligible for re-election, be and is hereby re-elected as a director of the Company.

Additional information in respect of Ordinary Resolutions Numbers 3 to 7

In terms of the provisions of clause 27.4.3 of the Memorandum of Incorporation, one-third of the directors, or if their number is not three or a multiple of three, then the number nearest to but not less than one-third are required to retire annually at each Annual General Meeting. Directors may offer themselves for re-election. Biographical details of all directors of the Company are set out on pages 90 to 93 of the Integrated Annual Report. The Board supports the re-election of all the aforementioned directors.

8. Appointment of director

Ordinary Resolution Number 8

Resolved that the appointment of Dr T Leoka as a director of the Company be and is hereby confirmed in terms of clause 27.3.7 of the Memorandum of Incorporation.

Additional information in respect of Ordinary Resolution Number 8

In terms of the provisions of clause 27.3.7 of the Memorandum of Incorporation, the Board has the power to appoint any person as director or alternate director, provided that such appointment must be confirmed by the shareholders at the next Annual General Meeting of the Company. Biographical details of Dr Leoka are set out on page 91 of the Integrated Annual Report. The Board supports the aforementioned appointment.

9. Election of member of the Audit and Risk Committee

Ordinary Resolution Number 9

Resolved that Ms S E N De Bruyn, being eligible and offering herself for re-election, be and is hereby re-elected as a member of the Audit and Risk Committee, until the next Annual General Meeting.

10. Election of member of the Audit and Risk Committee

Ordinary Resolution Number 10

Resolved that subject to the passing of Ordinary Resolution Number 3, Mr N P Mageza, being eligible and offering himself for re-election, be and is hereby re-elected as a member of the Audit and Risk Committee, until the next Annual General Meeting.

11. Election of member of the Audit and Risk Committee

Ordinary Resolution Number 11

Resolved that Mr P J Moleketi, being eligible and offering himself for re-election, be and is hereby re-elected as a member of the Audit and Risk Committee, until the next Annual General Meeting.

12. Election of member of the Audit and Risk Committee

Ordinary Resolution Number 12

Resolved that Mr F Robertson, being eligible and offering himself for re-election, be and is hereby re-elected as a member of the Audit and Risk Committee, until the next Annual General Meeting.

Additional information in respect of Ordinary Resolutions Numbers 9 to 12

In terms of the provisions of section 94(2) of the Companies Act, a public company shall at each Annual General Meeting elect an Audit Committee comprising at least three members. Brief *curricula vitae* of the independent non-executive directors proposed to be appointed to the Audit and Risk Committee appear on pages 91 and 92 of the Integrated Annual Report. As is evident from the *curricula vitae* of these directors, all of them have academic qualifications or experience in one or more of the following areas, i.e. economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resources.

13. General authority to place 5% of the unissued ordinary shares under the control of the directors

Ordinary Resolution Number 13

Resolved that the unissued ordinary shares in the authorised share capital of the Company be and is hereby placed under the control of the Board, who is hereby authorised, as a general authority in terms of the Memorandum of Incorporation, to allot and issue any such shares upon such terms and conditions as the Board in their sole discretion may deem fit, subject to the provisions of the Companies Act, the Memorandum of Incorporation and the Listings Requirements of the exchange operated by JSE Limited (JSE) (Listings Requirements), to the extent applicable, provided that this approval shall be valid only until the next Annual General Meeting of the Company and that the aggregate number of ordinary shares to be allotted and issued in terms of this Ordinary Resolution Number 13 is limited to 5% of the number of the unissued ordinary shares in the authorised share capital of the Company at the date of this Notice of AGM (being 23 539 150 ordinary shares).

Additional information in respect of Ordinary Resolution Number 13

Clause 6.7 of the Memorandum of Incorporation provides that the Board may resolve to issue authorised shares, but only to the extent that such issue has been approved by the shareholders in general meeting, either by way of a general or specific authority. The purpose of Ordinary Resolution Number 13 is to provide such general authority, which shall remain subject to the provisions of and all limitations contained in the Companies Act, the Memorandum of Incorporation and the Listings Requirements, to the extent applicable. The authority in terms of Ordinary Resolution Number 13 cannot be used to issue shares for cash as contemplated in the Listings Requirements.

14. Non-binding advisory vote on Remuneration Policy

Ordinary Resolution Number 14

Resolved that the Company's Remuneration Policy, as set out in the Remuneration Report from page 96 of the Integrated Annual Report, be and is hereby endorsed by way of a non-binding advisory vote.

15. Non-binding advisory vote on Remuneration Implementation Report

Ordinary Resolution Number 15

Resolved that the Company's Implementation Report in regard to its Remuneration Policy, as set out in the Remuneration Report from page 109 of the Integrated Annual Report, be and is hereby endorsed by way of a non-binding advisory vote.

Additional information in respect of Ordinary Resolutions Numbers 14 and 15

In terms of the Listings Requirements, the Company's Remuneration Policy and Implementation Report in regard to its Remuneration Policy must be tabled every year for separate non-binding advisory votes by the shareholders of the Company at the Annual General Meeting. In the event that any of Ordinary Resolutions Numbers 14 or 15 is voted against by 25% or more of the votes exercised on them, the Company shall engage with the dissenting shareholders in the manner set out in the Remuneration Report from page 96 of the Integrated Annual Report.

16. Approval of directors' remuneration

Special Resolution Number 1

Resolved that directors' fees for services rendered (excluding VAT) as directors for the financial year ending 30 June 2024 be determined on the following basis:

Type of fee	Proposed fee for the year ending 30 June 2024[(1)] (Rand)	Fee for the year ended 30 June 2023 (Rand)
Board member	**445 000**	413 400
Chairman of the Audit and Risk Committee	**361 000**	340 000
Member of the Audit and Risk Committee	**180 000**	168 800
Member of the Remuneration and Nomination Committee	**80 000**	75 000
Chairman of the Social and Ethics Committee	**175 000**	137 400
Member of the Social and Ethics Committee	**95 000**	75 000
Chairman of the Investment Committee	**146 000**	–
Member of the Investment Committee	**80 000**	–
Chairman of the Valuation Committee	**146 000**	–
Member of the Valuation Committee	**80 000**	–
Chairman of the Strategic ESG Committee	**146 000**	–
Member of the Strategic ESG Committee	**80 000**	–
Meeting fee for *ad hoc* committees	**32 000**	31 800

(1) *For the financial year ending on 30 June 2024, fees paid only for attendance per meeting of the subcommittees of the Board would be discontinued. Instead, subcommittees chairs and members would receive a fixed fee (as set out in the table above). This change would bring the director fee structure of the Company in line with that of its main competitors as set out on page 109 of the Remuneration Report.*

Additional information in respect of Special Resolution Number 1

The reason for and the effect of Special Resolution Number 1 is to approve the remuneration payable by the Company to its directors for their services as directors of the Company in terms of section 66(9) of the Companies Act for the financial year ending 30 June 2024.

17. General authority to repurchase shares

Special Resolution Number 2

Resolved that the Board be and is hereby authorised, by way of a renewable general authority in terms of the provisions of the Listings Requirements and as permitted in terms of the Memorandum of Incorporation, to approve the purchase of its own ordinary shares by the Company, or to approve the purchase of ordinary shares in the Company by any subsidiary of the Company, in terms of section 48 of the Companies Act, upon such terms and conditions as the Board may from time-to-time determine, provided that:

- this general authority shall be valid until the Company's next Annual General Meeting or for 15 months from the date of passing of this resolution, whichever period is shorter;
- the ordinary shares be purchased through the order book of the trading system of the JSE and done without any prior understanding or arrangement between the Company and/or the relevant subsidiary and the counterparty (reported trades are prohibited);
- an announcement complying with paragraph 11.27 of the Listings Requirements be published by the Company (i) when the Company and/or its subsidiaries have cumulatively repurchased 3% of the ordinary shares in issue as at the time when the general authority was given (the initial number) and (ii) for each 3% in the aggregate of the initial number of the ordinary shares acquired thereafter by the Company and/or its subsidiaries;
- the repurchase by the Company of its own ordinary shares shall not in the aggregate in any one financial year exceed 10% of the Company's issued ordinary share capital as at the beginning of the financial year, provided that the acquisition of ordinary shares as treasury shares by a subsidiary of the Company shall not be effected to the extent that in aggregate more than 10% of the number of issued ordinary shares of the Company at the relevant times are held by or for the benefit of the subsidiaries of the Company taken together;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the ordinary shares for the five business days immediately preceding the date on which the transaction is effected;
- at any point in time the Company may only appoint one agent to effect any repurchase on the Company's behalf or on behalf of any subsidiary of the Company;
- the Company and the Group will not repurchase ordinary shares during a prohibited period (as defined in the Listings Requirements) unless they have in place a repurchase programme where the dates and quantities of shares to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme (as required by the Listings Requirements) have been disclosed to the JSE, prior to the commencement of the prohibited period. The Company will instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period;
- prior to the repurchase, a resolution has been passed by the Board confirming that the Board has authorised the repurchase, that the Company and its subsidiaries satisfy the solvency and liquidity test contemplated in the Companies Act, and that since the test was done there have been no material changes to the financial position of the Group; and
- such repurchases will be subject to the applicable provisions of the Companies Act, the Memorandum of Incorporation, the Listings Requirements and the Exchange Control Regulations 1961.

It is the intention of the Board to use this general authority should prevailing circumstances (including the tax dispensation and market conditions) warrant it in their opinion.

The Company's directors undertake that they will not implement any such repurchases while this general authority is valid, unless:

- the Company and the Group will be able, in the ordinary course of business, to pay their debts for a period of 12 months after the date of the general repurchase;
- the assets of the Company and the Group will exceed their liabilities for a period of 12 months after the date of the general repurchase. For this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the Company's latest audited Group Annual Financial Statements;
- the Company and the Group will have adequate share capital and reserves for ordinary business purposes for a period of 12 months after the date of the general repurchase; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the general repurchase.

Additional information in respect of Special Resolution Number 2

The reason for and the effect of Special Resolution Number 2 is to grant the Board a general authority to approve the Company's repurchase of its own ordinary shares and to permit a subsidiary of the Company to purchase ordinary shares in the Company.

For the purposes of considering Special Resolution Number 2 and in compliance with paragraph 11.26 of the Listings Requirements, the information listed below has been included in the Integrated Annual Report, in which this Notice of AGM is included, at the places indicated:

- Major shareholders (pages 167)
- Share capital of the Company (pages 58 of the Annual Financial Statements and 167 of the Integrated Annual Report)

The directors, whose names are set out on pages 90 to 93 of the Integrated Annual Report, collectively and individually accept full responsibility for the accuracy of the information contained in this Special Resolution Number 2 and certify, to the best of their knowledge and belief, that there are no other facts, the omission of which would make any statement false or misleading and that they have made all reasonable queries in this regard and that this resolution contains all information required by law and the Listings Requirements.

There has been no material change in the financial or trading position of the Company and the Group that has occurred since the end of the last financial period for which either audited Annual Financial Statements or unaudited interim reports have been published.

18. General authority to provide financial assistance for the subscription and/or purchase of securities in the Company or in related or inter-related companies

Special Resolution Number 3

Resolved that the Board be and is hereby authorised in terms of section 44(3)(a)(ii) of the Companies Act as a general approval (which approval will be in place for a period of two years from the date of adoption of this Special Resolution Number 3), to authorise the Company to provide financial assistance by way of a loan, guarantee, the provision of security or otherwise to any related and/or inter-related company of the Company ("related" and "inter-related" will herein have the meanings attributed to those terms in section 2 of the Companies Act) and/or to any financier of the Company or any of its related and/or inter-related companies for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company of the Company, or for the purchase of any securities of the Company or a related or inter-related company of the Company, on the terms and conditions and for the amounts that the Board may determine.

The Board undertakes that it will not adopt a resolution to authorise such financial assistance, unless the Board is satisfied that:

- immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test as contemplated in the Companies Act; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

The main purpose for this authority is to grant the Board the authority to authorise the Company to provide financial assistance to the financiers of the Group for the purposes of the subscription and/or purchase of securities in subsidiaries of the Company, to fund the activities of the Group.

Additional information in respect of Special Resolution Number 3

The reason for and the effect of Special Resolution Number 3 is to provide a general authority to the Board for the Company to provide financial assistance to its related and inter-related companies and/or the financiers of the Group for the purposes of the subscription for options and/or securities, issued or to be issued by the Company or its related or inter-related companies, or for the purchase of any securities of the Company or its related or inter-related companies, to fund the activities of the Group.

19. General authority to provide financial assistance to related and inter-related companies and corporations

Special Resolution Number 4

Resolved that the Board be and is hereby authorised in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval (which approval will be in place for a period of two years from the date of adoption of this Special Resolution Number 4), to authorise the Company to provide any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to such term in section 45(1) of the Companies Act) that the Board may deem fit to any related or inter-related company or corporation of the Company ("related" and "inter-related" will herein have the meanings attributed to those terms in section 2 of the Companies Act), on the terms and conditions and for the amounts that the Board may determine.

The main purpose for this authority is to grant the Board the authority to authorise the Company to provide intergroup loans and other financial assistance for purposes of funding the activities of the Group. The Board undertakes that:

- it will not adopt a resolution to authorise such financial assistance, unless the Board is satisfied that:
  - immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test as contemplated in the Companies Act; and
  - the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company; and
- written notice of any such resolution by the Board shall be given to all shareholders of the Company and any trade union representing any of its employees:
  - within 10 business days after the Board adopted the resolution, if the total value of the financial assistance contemplated in that resolution, together with any previous such resolution during the financial year, exceeds 0.1% of the Company's net worth at the time of the resolution; or
  - within 30 business days after the end of the financial year, in any other case.

Additional information in respect of Special Resolution Number 4

The reason for and the effect of Special Resolution Number 4 is to provide a general authority to the Board for the Company to grant direct or indirect financial assistance to any company or corporation forming part of the Group, including in the form of loans or the guaranteeing of their debts.

Notice to shareholders of the Company in terms of section 45(5) of the Companies Act of a resolution adopted by the Board authorising the Company to provide direct or indirect financial assistance to related and inter-related companies and corporations

- By the time this Notice of the AGM is delivered to shareholders, the Board will have adopted a resolution (section 45 Board Resolution) authorising the Company to provide, at any time and from time to time during the period commencing on the date on which Special Resolution Number 4 is adopted until the date of the next Annual General Meeting of the Company, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any one or more related or inter-related companies or corporations of the Company. The financial assistance will entail loans and other financial assistance to subsidiaries of the Company (being related or inter-related companies of the Company) for purposes of funding the activities of the Group.
- The section 45 Board Resolution will be effective only if and to the extent that Special Resolution Number 4 is adopted by the shareholders and the provision of any such financial assistance by the Company, pursuant to such resolution, will always be subject to the Board being satisfied that (1) immediately after providing such financial assistance, the Company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Companies Act; and that (2) the terms under which such financial assistance is to be given are fair and reasonable to the Company as referred to in section 45(3)(b)(ii) of the Companies Act.
- Inasmuch as the section 45 Board Resolution contemplates that such financial assistance will, in the aggregate, exceed 0.1% of the Company's net worth at the date of adoption of such resolution, the Company hereby provides notice of the section 45 Board Resolution to shareholders. The Company does not have any employees represented by a trade union.

20. Report by Social and Ethics Committee

The Company's Social and Ethics Committee Report, included on page 130 of the Integrated Annual Report, read with the detailed ESG and Sustainability Report published on the Company's website at www.remgro.com, will serve as the Social and Ethics Committee's report to the Company's shareholders on the matters within its mandate at the AGM. Any specific questions to the Committee may be sent to the Company Secretary prior to the AGM.

And to transact any other business that may be transacted at an Annual General Meeting.

Notes to the notice to shareholders

Record dates

The record date in terms of section 59 of the Companies Act for shareholders to be recorded on the securities register of the Company in order to receive this Notice of AGM is Friday, 20 October 2023.

The record date in terms of section 59 of the Companies Act for shareholders to be recorded on the securities register of the Company in order to be able to attend, participate and vote at the AGM is Friday, 24 November 2023, and the last day to trade in the Company's shares in order to be recorded on the securities register of the Company in order to be able to attend, participate and vote at the AGM is Tuesday, 21 November 2023.

Approvals required for resolutions

Ordinary Resolutions Numbers 1 to 15 contained in this Notice of AGM require the approval by more than 50% of the votes exercised on the resolutions by shareholders present or represented by proxy at the AGM, subject to the provisions of the Companies Act, the Memorandum of Incorporation and the Listings Requirements. Ordinary Resolutions Numbers 14 and 15 are non-binding advisory votes.

Special Resolutions Numbers 1 to 4 contained in this Notice of AGM require the approval by at least 75% of the votes exercised on the resolutions by shareholders present or represented by proxy at the AGM, subject to the provisions of the Companies Act, the Memorandum of Incorporation and the Listings Requirements.

Equity securities held by a share trust or scheme of the Company will not have their votes taken into account for the purposes of resolutions passed in terms of the Listings Requirements. Shares held as treasury shares may not vote on any resolution.

Participation and voting by shareholders or proxies

(i) The Company is pleased to offer shareholders an online voting facility during the AGM via the Lumi Platform for both shareholders attending the AGM in-person (physically) at the venue as well as those shareholders who will be attending the AGM via electronic communication.

(ii) While voting on the day is possible, we encourage certificated shareholders and dematerialised shareholders with "own-name" registration attending either in-person or via electronic communication to indicate their votes in respect of the business of the AGM in advance by completing and returning a proxy form. This will ensure that your vote will be counted whether or not you attend the AGM.

(iii) A demonstration will be conducted for the convenience of shareholders attending the AGM in-person on how to use the Lumi Voting Devices. Shareholders are also referred to the "Electronic Participation Meeting Guide" published on the Company's website at www.remgro.com for instructions on electronic voting.

(iv) In order to allow the voting preferences of all shareholders to be taken into account, voting will take place by way of a poll and accordingly every holder of ordinary shares will have one vote in respect of each ordinary share held and every holder of B ordinary shares will have 10 votes in respect of each B ordinary share held.

(v) Shareholders are reminded that:

- a shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxy(ies) to attend, participate, speak and vote at the AGM in their stead at the AGM. Shareholders are referred to the attached proxy form;
- a proxy need not also be a shareholder(s) of the Company; and
- in terms of section 63(1) of the Companies Act, any person attending or participating in a shareholders meeting must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as shareholder or as proxy for a shareholder) has been reasonably verified.

(vi) Certificated shareholders and dematerialised shareholders with "own-name" registration who are unable to attend the AGM and who wish to be represented at the AGM, must complete and lodge the attached proxy form in accordance with the instructions contained therein, so as to be received by Computershare Investor Services Proprietary Limited (Transfer Secretaries), at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa (Private Bag X9000, Saxonwold, 2132, South Africa), or via email at proxy@computershare.co.za, in each case by no later than Thursday, 30 November 2023, at 09:00 am for administration purposes, provided that any form of proxy not delivered to the Transfer Secretaries by this time may be emailed to the Transfer Secretaries (who will provide same to the chairman of the AGM) at any time before the AGM.

(vii) Dematerialised shareholders without "own-name" registration who wish to attend the AGM in-person must request their Central Securities Depositary Participant (CSDP) or broker to provide them with the necessary letter of representation in accordance with the relevant custody agreement. Dematerialised shareholders without "own-name" registration who do not wish to attend the AGM but wish to be represented at the AGM must advise their CSDP or broker of their voting instructions. Such shareholders should contact their CSDP or broker with regard to the cut-off time for their voting instructions.

(viii) Electronic participation: As stated above, participation in the AGM will also be via electronic communication and shareholders wishing to attend the AGM via electronic means must follow the instructions for registration, attendance and participation set out below. The cost (e.g. for mobile data consumption or internet connectivity) of electronic participation in the AGM will be carried by the participant. The participant acknowledges that the electronic communication services are provided by third parties and indemnifies the Company and its directors/employees/Company Secretary/Transfer Secretaries/service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company or its directors/employees/Company Secretary/Transfer Secretaries/service providers, IF HE/SHE IS UNABLE TO VOTE AND whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the participant via the electronic services to the AGM.

As indicated above, shareholders are advised to indicate their votes in respect of the business of the AGM in advance by completing and returning a proxy form, and SHOULD TAKE NOTE THAT if the electronic equipment fail in any manner (including as a result of load shedding or a generator failure), the shareholders cannot hold the Company or its directors/employees/Company Secretary/Transfer Secretaries/service providers responsible/liable for not being able to vote.

Registration to attend the AGM

1) Registering online by no later than 09:00 am on Thursday, 30 November 2023

Shareholders who wish to attend the AGM (in-person or via electronic communication) can register online using the online registration portal at www.smartagm.co.za to, *inter alia*, allow the Transfer Secretaries to arrange the participation of the shareholder at the AGM.

2) Registering via email by no later than 09:00 am on Thursday, 30 November 2023

Shareholders who wish to attend the AGM (in-person or via electronic communication) can register by making a written application to so participate either in-person (physical) or via electronic communication, by email to proxy@computershare.co.za, in order for the Transfer Secretaries to, *inter alia*, arrange such participation for the shareholder.

3) Registering after 09:00 am on Thursday, 30 November 2023

Shareholders wishing to participate in and/or vote at the AGM may still register, as contemplated in 1 and 2 above, after 09:00 am on Thursday, 30 November 2023, provided, that for those shareholders to participate in and/or vote at the AGM, those shareholders must be verified and registered (as required in terms of section 63(1) of the Companies Act by uploading their relevant verification documentation as more fully set out under Identification below) before the commencement of the AGM.

4) Registering at the venue of the AGM

Shareholders who wish to attend in-person and vote at the AGM, and who have not registered online, will be able to register at the venue from 08:00 to 08:45 am on Monday, 4 December 2023. In order to register at the venue, shareholders will be required to provide identification reasonably satisfactory to the Transfer Secretaries, as more fully set out under Identification below. Once registered to the satisfaction of the Transfer Secretaries, such shareholders will be able to participate in and vote at the AGM.

Electronic attendance at the AGM

Once registered in accordance with the instructions above, shareholders attending via electronic communication will be required to connect to the AGM through the Lumi website by following the steps set out at www.smartagm.co.za. Shareholders are referred to the "Electronic Participation Meeting Guide" published on the Company's website at www.remgro.com for further instructions relating to the electronic participation.

The Transfer Secretaries will by no later than 5:00 pm on Friday, 1 December 2023, notify eligible shareholders of the access details through which eligible shareholders can participate electronically in and/or vote at the AGM.

Shareholders participating in the AGM in this manner may still appoint a proxy to vote on their behalf at the AGM.

Guests will be able to access the AGM at www.smartagm.co.za by selecting the applicable meeting and clicking on LUMI PLATFORM LINK. The option, "I am a Guest" must be selected on the login screen. Guests will be prompted to complete all the relevant fields including title, first name, last name and email address. Please note, guests will not be able to ask questions or vote at the AGM.

Identification

In terms of section 63(1) of the Companies Act, all AGM participants will be required to provide identification reasonably satisfactory to the Transfer Secretaries, as follows:

- Participants registering to participate in the AGM using the online registration method contemplated above, by uploading the relevant documentation via the online registration portal; or
- Participants registering to participate in the AGM by submitting the written application contemplated above, by submitting the relevant documentation by email to proxy@computershare.co.za; or
- Participants attending the AGM in-person and who have not registered online, by furnishing the relevant documentation to the Transfer Secretaries at the AGM venue.

The Transfer Secretaries must be reasonably satisfied that the right of that person to attend, participate in and vote at the AGM as a shareholder or a proxy or representative of a shareholder, has been reasonably verified.

Acceptable forms of identification include valid South African driver's licences, green barcoded identity documents or barcoded identification smart cards, issued by the South African Department of Home Affairs, and passports.

Questions

The Company appreciates that the AGM presents an opportunity for shareholders to receive an update on the Company and to ask questions to the Board. To facilitate engagement between shareholders attending in-person and those attending via electronic communication, the Company will allow questions to be raised at the meeting by shareholders attending in-person or submitted via text by shareholders attending via electronic communication.

We would like to respond to as many shareholders' questions as possible and therefore encourage shareholders to submit the questions that they wish to raise at the AGM in advance of the AGM by sending them by email to the Company Secretary at ddreyer@remgro.com, by no later than 09:00 am on Friday, 1 December 2023, in order to ensure that your questions are addressed at the AGM.

By order of the Board.

D I Dreyer
Company Secretary

Stellenbosch
20 September 2023

Remgro Limited

(Incorporated in the Republic of South Africa)
(Registration number 1968/006415/06)
(Share code: REM ISIN: ZAE000026480)
(the Company)

Form of proxy

This form of proxy is only for use by:

1. Registered shareholders who have not yet dematerialised their Remgro Limited ordinary shares; and
2. Registered shareholders who have already dematerialised their Remgro Limited ordinary shares and are registered in their "own names" in the Company's uncertificated securities register.*

* *See explanatory note 3 overleaf.*

For completion by the aforesaid registered shareholders who hold ordinary shares of the Company (shareholder) and who are unable to attend the 2023 Annual General Meeting of the Company to be held on Monday, 4 December 2023, at 09:00 am, at The Lord Charles Hotel, Corner of Main Road and Broadway Boulevard, Somerset West, 7130 and via electronic communication (the AGM).

I/We ____

of (address) ______________________ contact details (telephone number) ______________________

being the holder(s) of ______________ ordinary shares in the Company, hereby appoint (see instruction 1 overleaf)

1. ____ or, failing him/her,
2. ____ or, failing him/her,
3. the chairman of the AGM, as my/our proxy to attend, speak and vote for me/us and on my/our behalf or to abstain from voting at the AGM and at any adjournment thereof, as follows (see note 2 and instruction 2 overleaf):

	Insert an "X" or the number of votes exercisable (one vote per ordinary share)		
Ordinary resolutions	In favour of	Against	Abstain
1. Approval of Annual Financial Statements			
2. Appointment of auditor			
3. Election of director – Mr N P Mageza			
4. Election of director – Mr G G Nieuwoudt			
5. Election of director – Mr K S Rantloane			
6. Election of director – Mr J P Rupert			
7. Election of director – Mr N J Williams			
8. Appointment of director – Dr T Leoka			
9. Election of member of the Audit and Risk Committee – Ms S E N De Bruyn			
10. Election of member of the Audit and Risk Committee – Mr N P Mageza			
11. Election of member of the Audit and Risk Committee – Mr P J Moleketi			
12. Election of member of the Audit and Risk Committee – Mr F Robertson			
13. General authority to place 5% of the unissued ordinary shares under the control of the directors			
14. Non-binding advisory vote on Remuneration Policy			
15. Non-binding advisory vote on Remuneration Implementation Report			
Special resolutions			
1. Approval of directors' remuneration			
2. General authority to repurchase shares			
3. General authority to provide financial assistance for the subscription and/or purchase of securities in the Company or in related or inter-related companies			
4. General authority to provide financial assistance to related and inter-related companies and corporations			

Signed at ______________________ on ______________________ 2023

Signature(s) ____

Assisted by ____
(where applicable)

Please read the notes and instructions overleaf.

Notes

1. A shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a registered shareholder of the Company.
2. On a poll, every holder of ordinary shares shall be entitled to one vote per ordinary share held and every holder of B ordinary shares shall be entitled to 10 votes per B ordinary share held.
3. Shareholders whose uncertificated shares are registered in their "own name" are shareholders who elected not to participate in the Issuer-Sponsored Nominee Programme and who appointed Computershare Investor Services Proprietary Limited as their Central Securities Depository Participant (CSDP) with the express instruction that their uncertificated shares are to be registered in the electronic uncertificated securities register **in their own names.**

Instructions on signing and lodging the form of proxy

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided overleaf, with or without deleting "the chairman of the AGM", but any such deletion must be initialled by the shareholder. Should this space(s) be left blank, the proxy will be exercised by the chairman of the AGM. The person whose name appears first on the form of proxy and who participates in the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. A shareholder's voting instructions to the proxy must be indicated by the insertion of an "X", or the number of votes which that shareholder wishes to exercise, in the appropriate spaces provided overleaf. Failure to do so will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she thinks fit in respect of all the shareholder's exercisable votes. A shareholder or his/her proxy is not obliged to use all the votes exercisable by him/her or by his/her proxy, but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the shareholder or by his/her proxy.
3. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Transfer Secretaries.
4. The completed forms of proxy must be lodged with the Transfer Secretaries of the Company, Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa, or posted to the Transfer Secretaries at Private Bag X9000, Saxonwold, 2132, South Africa, or via email at proxy@computershare.co.za, to be received by them not later than Thursday, 30 November 2023, at 09:00 am (South African time) for administrative purposes, provided that any form of proxy not delivered to the Transfer Secretaries by this time may be emailed to the Transfer Secretaries (who will provide same to the chairman of the AGM) at any time before the AGM.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Transfer Secretaries or waived by the chairman of the AGM.
6. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
7. The appointment of a proxy in terms of this form of proxy is revocable in terms of the provisions of section 58(4)(c) read with section 58(5) of the Companies Act (No. 71 of 2008), as amended, and accordingly a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company.
8. The completion of any blank spaces overleaf need not be initialled. Any alterations or corrections to this form of proxy must be initialled by the signatory(ies).
9. The chairman of the AGM may accept any form of proxy which is completed other than in accordance with these instructions provided that he is satisfied as to the manner in which a shareholder wishes to vote.

www.**remgro**.com

More information

This Integrated Annual Report is published as part of a set of reports in respect of the financial year ended 30 June 2023, all of which are available on the Company's website.

Designed and produced by GreymatterFinch.

This report is printed on Korea Neo Art Matt.

Neo Art Matt is FSC® certified stock.

#17200