NOTICE OF ANNUAL GENERAL MEETING 2024

BEING THE CHANGE

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 30 JUNE 2024

KAP LIMITED

(Registration number: 1978/000181/06) | JSE share code: KAP | ISIN: ZAE000171963 | LEI code: 3789001F51BC0045FD42
('KAP' or 'the company')

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 46th annual general meeting ('the AGM') of shareholders of KAP will be held on Friday, 29 November 2024 at 15:00 at the KAP offices in Unit G7, Stellenpark Business Park, Cnr R44 and School Road, Jamestown, Stellenbosch.

The purpose of the AGM is to transact the business as set out in the agenda below and, if deemed fit, to pass with or without modification, the ordinary and special resolutions set out below, and to discuss other matters raised by shareholders at the meeting, provided that, at the sole discretion of the chairperson of the AGM, such matters directly concern the business of the company and may lawfully be dealt with at an annual general meeting.

Only shareholders who are recorded in the register of members of the company on Friday, 22 November 2024, will be entitled to vote at the AGM.

IMPORTANT DATES IN RESPECT OF THE NOTICE OF AGM

Record date for shareholders to receive the notice	Friday, 25 October 2024
Posting date of this notice	Thursday, 31 October 2024
Last date to trade to be eligible to attend, participate in and vote at the AGM	Tuesday, 19 November 2024
Record date to be eligible to attend, participate in and vote at the AGM	Friday, 22 November 2024
Last date to lodge Forms of Proxy	Wednesday, 27 November 2024 by 14:00*
Date of the AGM	Friday, 29 November 2024 at 15:00

* Suggested date and time to avert a potential administrative burden at the AGM. Forms of proxy not received by this date must be handed to the chairperson at the AGM before the appointed proxy may exercise any shareholder rights at the AGM.

GENERAL INFORMATION

Stakeholder engagement and attendance

The AGM provides an opportunity for stakeholders to engage with management and, while only eligible shareholders may vote, any stakeholders are welcome to attend the proceedings and participate in the debates.

Voting and resolutions

All voting at the AGM will be by way of a poll and, in this regard, each shareholder entitled to vote shall have one vote in respect of each ordinary share which that shareholder holds on the record date on Friday, 22 November 2024.

For each of the ordinary resolutions to be adopted, more than 50% (fifty per cent) of the eligible voting rights exercised on the applicable ordinary resolution must be exercised in favour thereof.

For special resolutions to be adopted, the applicable resolution must be supported by at least 75% (seventy-five per cent) of the eligible voting rights exercised thereon.

KAP may provide for electronic participation at the AGM. Shareholders who wish to participate electronically must contact TMS in writing at least 5 (five) business days prior to the date of the AGM so that arrangements can be made for participation at each shareholder's own cost. However, please note that virtual remote voting is not possible. Shareholders are encouraged to submit votes by proxy in advance of the AGM.

The board supports the proposed resolutions set out in this notice, which promote the best interests of the company and its stakeholders. The board accordingly recommends that shareholders vote in favour of all the resolutions.

Annual financial statements and integrated report

The audited consolidated and company annual financial statements of the group and the company for the financial year ended 30 June 2024, the 2024 integrated report and the corporate governance report are available on the website at www.kap.co.za. A copy thereof may be requested or obtained in person, at no charge, from the registered office of the company during office hours.

The board of directors as at the date of the AGM

The board comprised the following directors:

• GN Chaplin	Executive director
• TC Esau-Isaacs	Independent non-executive director
• Z Fuphe	Independent non-executive director
• JA Holtzhausen	Independent non-executive director
• KT Hopkins	Independent non-executive director
• SP Lunga	Executive director
• SN Maseko	Independent non-executive director
• V McMenamin	Independent non-executive director
• AFB Mthembu	Independent non-executive director
• SH Müller	Independent non-executive director
• FH Olivier	Executive director
• PK Quarmby	Independent non-executive director

Annexures

This notice incorporates the following annexures:

- Annexure A – Summarised consolidated annual financial information of the group for the year ended 30 June 2024
- Annexure B – Curricula vitae of the directors standing for election and re-election on the board and the audit and risk committee
- Annexure C – Remuneration policy
- Annexure D – Implementation and remuneration disclosure for 2024
- Annexure E – Major shareholders of the company as at 30 June 2024
- Annexure F – Summary of the amendments to the MOI

AGENDA

ORDINARY BUSINESS

Presentation of annual financial statements of the group and the company and various reports (non-voting agenda point)

Refer to Annexure A, containing the summarised consolidated annual financial information of the group for the year ended 30 June 2024.

The audited consolidated and company annual financial statements of the group and KAP for the year ended 30 June 2024, which include the independent auditor's report, the directors' report and the report of the audit and risk committee are herewith presented to shareholders.

These documents, together with KAP's 2024 integrated report, will be tabled at the AGM.

1. ORDINARY RESOLUTION NUMBER 1 – REAPPOINTMENT OF INDEPENDENT EXTERNAL AUDIT FIRM AND INDIVIDUAL AUDITOR

The MOI, the JSE LRs and the Companies Act stipulate that the company each year at its AGM must appoint or reappoint, as the case may be, an eligible and accredited auditor.

Having considered evidence in support of the independence of KPMG, and further having assessed KPMG's suitability for appointment in accordance with the JSE LRs, the audit and risk committee recommends the reappointment of KPMG as the external auditor of the company for the financial year ending 30 June 2025, with IM Engels as the individual who will lead the audit. This is the fourth year that KPMG and IM Engels will serve in their respective capacities.

The board has endorsed the aforementioned recommendation and, accordingly, it is proposed that shareholders pass the following ordinary resolution number 1:

'Resolved that KPMG, with the designated audit partner being IM Engels, be and is hereby appointed as auditor of the company for the financial year ending 30 June 2025.'

2. ORDINARY RESOLUTION NUMBER 2 – CONFIRMATION OF DIRECTOR APPOINTMENTS MADE BY THE COMPANY'S BOARD

The MOI, the JSE LRs and the Companies Act stipulate that all director appointments made by the board, must be confirmed by shareholders through an election at the first subsequent AGM following such appointment.

On recommendation by the nomination committee, it is proposed that shareholders pass the following ordinary resolution numbers 2.1 and 2.2:

2.1 '*Resolved that AFB Mthembu's appointment on 15 January 2024, as an independent non-executive director, be and is hereby confirmed and that he herewith be elected as a director of the company.*

2.2 *Resolved that SN Maseko's appointment on 15 March 2024, as an independent non-executive director, be and is hereby confirmed and that he herewith be elected as a director of the company.'*

Curricula vitae for AFB Mthembu and SN Maseko are contained in Annexure B to this notice.

3. ORDINARY RESOLUTION NUMBER 3 – RE-ELECTION OF A DIRECTOR WHO RETIRES BY ROTATION

The MOI and the JSE LRs require, and King IV™ recommends, a staggered rotation of at least one-third of the non-executive directors at each AGM of the company. In addition, the MOI stipulates that directors who have reached the age of 71 must retire on an annual basis.

In accordance with these prescripts, and considering ordinary resolution numbers 2.1 and 2.2 above, the nomination committee recommended that TC Esau-Isaacs, who is eligible and made herself available for re-election, should retire at this AGM in terms of the staggered rotation methodology.

Accordingly, the board endorsed the recommendation of the nomination committee and proposed that shareholders pass the following standalone ordinary resolution 3:

'Resolved to and hereby re-elect TC Esau-Isaacs, who was appointed on 30 June 2021, as an independent non-executive director to the board, following her retirement by rotation in terms of the staggered rotation methodology, as she is the non-executive director who has been in office longest since her appointment/last re-election.'

A curriculum vitae for TC Esau-Isaacs is contained in Annexure B to this notice.

In addition to the above, having served on the board for 12 years and having reached the age of 70 years, PK Quarmby, the independent non-executive chairperson of the board, has decided to retire from the board on conclusion of the AGM and is not available for re-election.

The board wishes to express our sincere gratitude to PK Quarmby, who has served the company with distinction.

4. ORDINARY RESOLUTION NUMBER 4 – ELECTION OF AUDIT AND RISK COMMITTEE MEMBERS

The Companies Act and the JSE LRs stipulate that each publicly listed company must each year at its AGM appoint or reappoint, as the case may be, an audit committee comprising at least three non-executive directors who are independent and, as a collective body, are suitably qualified, skilled and experienced.

The nomination committee and the board are satisfied that the below-mentioned proposed members are suitably skilled and experienced independent non-executive directors and that they collectively meet the criteria required to fulfil their duties on the audit and risk committee. It is accordingly recommended that shareholders pass the following standalone ordinary resolutions numbers 4.1 to 4.4:

'Resolved to and herewith elect, by way of individual, standalone ordinary resolutions, the following independent non-executive directors as members of the audit and risk committee until the next annual general meeting:*

4.1 *KT Hopkins;*

4.2 *Z Fuphe;*

4.3 *SH Müller; and*

4.4 *TC Esau-Isaacs (subject to the approval of ordinary resolution 3 above).'*

A curriculum vitae for each of these directors is contained in Annexure B to this notice.

* For the avoidance of doubt, any reference to the 'audit and risk committee' is a reference to the 'audit committee' as contemplated in section 94 of the Companies Act.

5. ORDINARY RESOLUTION NUMBER 5 – PLACING OF PREFERENCE SHARES UNDER THE CONTROL OF THE DIRECTORS FOR COMMERCIAL PURPOSES

At the date of this notice, the board has no firm intent to issue any preference shares. However, the board is of the view that it is in the best interests of KAP to have flexibility to issue shares (to the extent authorised) for purposes of, *inter alia*, taking advantage of commercial opportunities as and when they arise. It is therefore proposed that shareholders pass the following ordinary resolution number 5:

'Resolved that the directors of the company are hereby authorised, by way of a general authority, to allot and issue up to a maximum of 124 000 000 (one hundred and twenty-four million) of the cumulative non-redeemable, non-participating preference shares of no par value when suitable opportunities arise; or up to a maximum of 50 000 000 (fifty million) of the perpetual preference shares of no par value (collectively the "preference shares"), equating in each case to less than 5% (five per cent) of the company's ordinary shares in issue at the date of this notice, and that such shares be and are hereby placed under the control of the directors, and that the directors be authorised to allot and issue such preference shares for commercial purposes to such person(s) and on such terms and conditions as the directors may in their sole discretion determine, provided, inter alia, that:

- *the board shall pass a resolution to issue such preference shares;*
- *this authority shall not extend beyond the next annual general meeting of the company or for a period longer than 15 (fifteen) months from the date of the passing of this resolution, whichever period is shorter;*
- *more than 50% (fifty per cent) of the voting rights exercised on this resolution are exercised in favour thereof by shareholders present or represented and entitled to vote at this AGM; and*
- *all other relevant provisions regarding the issuing of preference shares as set out in the JSE LRs, the Companies Act and the MOI are fulfilled.'*

For the avoidance of doubt:

- *in the event of a subdivision or consolidation of issued ordinary shares, this authorisation will be adjusted accordingly to represent the same allocation ratio;*
- *by their approval of this resolution, shareholders grant a waiver of any pre-emptive rights to which they may be entitled, in favour of the directors for the potential allotment and issue of preference shares for commercial purposes; and*
- *the total number of ordinary shares in issue as at the date of this AGM is 2 493 716 807.*

NON-BINDING ADVISORY VOTES

6. ORDINARY RESOLUTION NUMBER 6 – ENDORSEMENT OF THE REMUNERATION POLICY AND IMPLEMENTATION REPORT ON THE REMUNERATION POLICY

King IV™ recommends and the JSE LRs require that the remuneration policy of a company be tabled at each AGM of such company for a non-binding advisory vote by the shareholders, together with a separate non-binding advisory vote on the implementation of the remuneration policy. These two documents give shareholders insight into KAP's remuneration practices and enable them to evaluate whether the remuneration of executive management and other employees is fair and responsible in the context of overall employee remuneration, so that they can express an informed view as to the appropriateness of KAP's remuneration approach.

As a result of receiving less than 75% shareholder support for the remuneration implementation report, we provided a platform to engage with dissenting shareholders. This engagement was via an invitation released on SENS on 22 November 2023, inviting the dissenting shareholders to submit, in writing, recommendations in relation to the remuneration policy and/or implementation report, for consideration by the human capital and remuneration committee.

The human capital and remuneration committee responded to each submission through direct engagement with the relevant dissenting shareholders and subsequently amended certain aspects of remuneration to balance shareholder concerns with the need to reward executives appropriately for their contribution to the achievement of the strategic objectives. On recommendation by the human capital and remuneration committee, and endorsement thereof by the board, it is proposed that shareholders pass the following ordinary resolutions numbers 6.1 and 6.2 as standalone resolutions:

'Resolved to and herewith endorse, by way of standalone non-binding advisory votes, the KAP:

6.1 *Remuneration policy as set out in Annexure C to this notice; and*

6.2 *Implementation and remuneration disclosure for 2024 as set out in Annexure D to this notice.'*

If 25% (twenty-five per cent) or more of the voting rights are exercised against either resolution, or both, the company will invite those shareholders who have voted against the relevant resolution to engage with the company.

7. ORDINARY RESOLUTION NUMBER 7 – RATIFICATION RELATING TO PERSONAL FINANCIAL INTEREST ARISING FROM MULTIPLE INTERGROUP DIRECTORSHIPS

Section 75 of the Companies Act prohibits a director from participating in decision-making or voting on any board resolution or entering into any agreements or signing documents relating to transactions if such a director has a 'personal financial interest' in the matter. Through the collective definitions of 'personal financial interest' and 'related persons' in section 75(1) of the Companies Act, this provision of the law has a restricting effect on the decision-making powers of directors in a group. The executive directors of KAP serve on multiple subsidiary boards across the group and they would thus inevitably have a 'personal financial interest' in and be a 'related person' to many intergroup transactions. The board accordingly obtained formal legal advice on this matter to ensure that its procedures in respect of the application of the section 75 regime are sound, and that group decision-making by executive directors is in full compliance with the law.

While directors declare their personal financial interests with great care, the proposed resolution below is intended to ensure that decisions, agreements and signed documents remain legally binding, valid and in force due to multiple intergroup directorships. This resolution does not limit any other statutory or common-law duties that apply to directors, i.e. the resolution does not ratify any other actions of directors that are in contravention of the Companies Act or any other unlawful action by executive directors, such as wilful misconduct, gross negligence or the like.

Consequently, it is proposed that shareholders pass the following resolution as ordinary resolution number 7:

'Resolved that any decisions made and resolutions passed at a group subsidiary board meeting, as well as agreements or documents signed, and actions taken by the executive directors at such a subsidiary company, are hereby approved/ratified as contemplated in section 75(3) of the Companies Act, having taken note of the directors' personal financial interests.'

This approval/ratification is only valid to the extent that the executive directors were prevented from effective decision-making because of their 'personal financial interests' in, and them being deemed a 'related person' to, another entity in the group, solely by nature of the group structure; and further provided that the relevant decisions, resolutions, agreements, documents or actions had the effect of being in the best interest of the company in each case, and fell within the ambit of section 75 of the Companies Act.

Read more: Personal financial interest register

SPECIAL BUSINESS

8. SPECIAL RESOLUTION NUMBER 1 – APPROVAL OF FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

Before payment of directors' fees may take place, shareholders are required, in terms of section 66(8) and (9) of the Companies Act, to authorise by way of a special resolution, the basis of compensation and the forward-looking emoluments to be paid to the non-executive directors for their services to be rendered to the company as directors.

The executive directors are remunerated in terms of their respective contracts with the company and no fees are payable to them for services rendered as directors. The remuneration paid to executive directors is detailed in Annexure D.

The remuneration of the non-executive directors is not linked to the company's share price, its share performance or its results. Non-executive directors do not receive incentive payments and are not participants in the KAP Performance Share Rights Scheme and therefore do not hold share rights under this scheme.

Non-executive director fees are reviewed and adjusted annually, based on inflation, as well as market benchmarks following independent research every second year into trends in non-executive director remuneration among companies of a similar size and complexity.

The human capital and remuneration committee accordingly recommended, and the board has endorsed, the below-mentioned remuneration, and further recommended that shareholders approve the proposed compensation for non-executive directors for the period from this AGM until the next annual general meeting of the company, by passing special resolution numbers 1.1 to 1.13 below as standalone special resolutions:

'Resolved that the remuneration, as set out in special resolutions 1.1 to 1.13 below, payable to the non-executive directors in respect of their services as directors of the company during the period commencing from the date of the passing of this special resolution until the next annual general meeting, be and is hereby authorised by way of individual, standalone special resolutions:

Non-executive directors' fees		*Increase %*	*2025 R*	*2024 R*
Board membership fees[1]				
1.1	*Independent non-executive chairperson*	*6*	*1 355 000*	*1 278 000*
1.2	*Lead independent non-executive director*	*6*	*929 000*	*876 000*
1.3	*Member*	*6*	*657 000*	*620 000*
Audit and risk committee fees				
1.4	*Chairperson*	*6*	*694 000*	*655 000*
1.5	*Member*	*6*	*349 000*	*329 000*
Human capital and remuneration committee fees				
1.6	*Chairperson*	*6*	*220 000*	*208 000*
1.7	*Member*	*6*	*107 000*	*101 000*
Sustainability, social and ethics committee fees				
1.8	*Chairperson*	*6*	*220 000*	*208 000*
1.9	*Member*	*6*	*107 000*	*101 000*
Nomination committee fees				
1.10	*Chairperson*	*6*	*220 000*	*208 000*
1.11	*Member*	*6*	*107 000*	*101 000*
Investment committee fees[2]				
1.12	*Chairperson*	*6*	*49 200*	*46 400*
1.13	*Member*	*6*	*41 100*	*38 800*

[1] The above all-inclusive fee will remain unchanged should directors be required to attend additional meetings, as may be dictated by unforeseen circumstances during the period. The same principle applies to committee fees, i.e. no fees are payable for additional meetings. It is foreseen that each of the committees would convene formally at least twice during the 2025 period, save for the audit and risk committee, which will convene at least four times during the period.

[2] The investment committee fee would continue to be paid on a per-meeting attendance basis due to the nature of the committee's unpredictable meeting requirements.'

9. SPECIAL RESOLUTION NUMBER 2 – FINANCIAL ASSISTANCE FOR SUBSCRIPTION OF SECURITIES

To resolve that the company be authorised to provide direct or indirect financial assistance as contemplated in section 44 of the Companies Act, it is proposed that shareholders pass the following resolution as special resolution number 2:

'Resolved, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the provision by the company of any direct or indirect financial assistance as contemplated in section 44 of the Companies Act to any person 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 interrelated company, or for the purchase of any securities of the company or a related or interrelated company, be and is hereby approved, provided that:

- *the specific recipient(s) of such financial assistance, the form, nature and extent of such financial assistance, and the terms and conditions under which such financial assistance is provided, are determined by the board of the company from time to time;*
- *the board has satisfied the requirements of section 44 of the Companies Act on the provision of any financial assistance;*
- *such financial assistance to a recipient is, in the opinion of the board of the company, required for a purpose which, in the opinion of the board, is directly or indirectly in the interests of the company; and*
- *the authority granted in terms of this special resolution will remain valid until a new similar resolution is passed at the next annual general meeting of the company or after the expiry of a period of 24 months, whichever is the latter.'*

10. SPECIAL RESOLUTION NUMBER 3 – FINANCIAL ASSISTANCE TO RELATED AND INTERRELATED COMPANIES

To resolve that the company be authorised to provide direct or indirect financial assistance as contemplated in section 45 of the Companies Act, it is proposed that shareholders pass the following resolution as special resolution number 3:

'Resolved, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the provision by the company of any direct or indirect financial assistance as contemplated in section 45(1) of the Companies Act to any related or interrelated company or corporation as contemplated in section 45(2) of the Companies Act, for such amounts and on such terms and conditions as the board of the Company may determine, be and is hereby approved, provided that:

- *the specific recipient(s) of such financial assistance, the form, nature and extent of such financial assistance, and the terms and conditions under which such financial assistance is provided, are determined by the board of the company from time to time;*
- *the board has satisfied the requirements of section 45 of the Companies Act on the provision of any financial assistance;*
- *such financial assistance to a recipient is, in the opinion of the board of the company, required for a purpose which, in the opinion of the board, is directly or indirectly in the interests of the company; and*
- *the authority granted in terms of this special resolution will remain valid until a new similar resolution is passed at the next annual general meeting of the company or after the expiry of a period of 24 months, whichever is the latter.'*

11. SPECIAL RESOLUTION NUMBER 4 – AMENDMENT OF MOI

Set out in Annexure F is a summary of the proposed changes to the MOI to be adopted at the AGM. The amendments incorporate changes necessitated by the recent amendments to the Companies Act, and a general review to eliminate duplication and repetition of statutes. A copy of the amended MOI is available on the company's website and is also available for inspection from the registered office of the company during office hours, from the date of this notice until the date of the AGM.

The JSE has approved the proposed amendments to the MOI.

It is proposed that shareholders pass the following resolution as special resolution number 4:

'Resolved that, in terms of section 16(1)(c)(ii) of the Companies Act 71 of 2008 (as amended), the proposed amendments to the MOI be and are hereby approved.'

Read more: Amended MOI

GENERAL BUSINESS

To transact such other business as may be transacted at an AGM or raised by shareholders with or without advance notice to the company, provided that no voting may take place on such matters.

AUTHORITY

Any director or company secretary of KAP, for the time being, be and is hereby authorised to take all such steps, sign all such documents and carry out all acts, matters and things on behalf of KAP as may be necessary to give effect to the special and ordinary resolutions passed at this AGM.

By order of the board

L Kok

for **KAP Secretarial Services Proprietary Limited**
Company secretary

31 October 2024

KEY DEFINITIONS USED IN THIS NOTICE

The below-mentioned words and expressions have the following meanings:

board and/or directors – board of directors of the company

Companies Act – Companies Act, No. 71 of 2008 of South Africa, as amended.

CSDP – Central Securities Depository Participants

directors – Directors who serve on the board

group – The company and all its subsidiaries at the date of this notice

IFRS – International Financial Reporting Standards

JSE LRs – Listings Requirements of the JSE Limited

King IV™ – King IV Report on Corporate Governance™ for South Africa, 2016*

KPMG – KPMG Incorporated, independent external auditor

MOI – Memorandum of incorporation

SENS – Stock Exchange News Service of the JSE Limited through which key information is disseminated to the market

Shareholders – In accordance with the provisions of section 57 of the Companies Act, a person who is entitled to exercise any voting rights in relation to the issued ordinary shares and whose name is entered in securities register

TMS – The Meeting Specialist Proprietary Limited, the entity facilitating the voting and related procedures prior to and at the AGM

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RECORD DATES PERTAINING TO THE AGM AND OTHER IMPORTANT NOTICES

1. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairperson of the AGM in order to participate at the AGM. If in any doubt as to whether any document will be accepted as satisfactory proof of identity, participants should contact the transfer secretary ('Computershare') or TMS in advance for guidance.
2. A shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend, speak and vote in his/her stead.
   A proxy need not be a shareholder of the company.
3. Shareholders who have not dematerialised their shares (i.e. so-called certificated shareholders) or those who hold dematerialised shares in 'own-name registration', must use the form of proxy if they wish to attend and/or vote at the AGM or be represented at the AGM. Completion of a form of proxy will not preclude such shareholders from attending and voting (in preference to those shareholders' proxies) at the AGM.
4. A shareholder who holds shares in dematerialised form (other than those with 'own-name registration'), who wishes to attend and/or vote at the AGM, should instruct his/her broker or CSDP to issue him/her with a letter of representation if he/she wishes to attend in person and/or vote at the AGM. Shareholders should refer to their custody agreements with their CSDP/broker in this regard.
5. A shareholder who has dematerialised his/her shares (other than those with 'own-name registration'), who is unable to attend the AGM, but wishes to be represented and/or vote at the AGM, must provide his/her CSDP/broker with his/her voting instructions in terms of the relevant custody agreement between him/her and the CSDP/broker.
6. CSDP, brokers or their nominees, as the case may be, who hold dematerialised shares on behalf of an investor/beneficial owner should, when authorised in terms of their custody agreement mandate from the shareholder, or when instructed to do so by the owner on behalf of whom they hold dematerialised shares in the company, vote by either appointing a duly authorised representative to attend and vote at the AGM (as described above) or by completing the attached form of proxy in accordance with the instructions thereon.
7. Copies of the letters of representation, or the duly completed forms of proxy, together with the documents conferring the authority to the signatory and under which it is signed (if any), must be forwarded to TMS to the address stated below. In the interest of efficient administration, these documents must reach TMS by no later than Wednesday, 27 November 2024 at 14:00. Notwithstanding, these documents will also be accepted by the chairperson of the AGM up to the point when voting on each agenda item commences at the AGM.
8. A shareholder present in person, by proxy or by authorised representation shall, on a show of hands, have one vote, and on a poll, shall have one vote in respect of each share held. However, please note that it is the intent, from a corporate governance perspective, that all voting at the AGM would take place by way of a poll.
9. Shareholders of the company wishing to participate in the AGM by means of electronic participation must make application in writing to the company secretary, with a copy to TMS (at the respective addresses stated below), at least 5 (five) business days prior to the date of the AGM so that arrangements can be made for their potential participation in the AGM. Shareholders will have to provide details as to how they or their representatives envisage participating electronically and must further provide reasonably satisfactory identification for verification in terms of section 63(1) of the Companies Act. The costs of accessing any means of electronic participation will be borne by the shareholder so accessing the electronic participation. Shareholders participating via electronic communication must still submit, in advance of the meeting, completed forms of proxy or voting instructions to their CSDP/broker in order for their votes to be counted, as the electronic participation facilities do not accommodate remote voting. The company reserves the right not to provide for electronic participation at the AGM in the event that it may be impractical to do so, and the company cannot guarantee that there will not be a break in communication. Shareholders making use of electronic communication acknowledge that the telecommunication lines are provided by a third party and indemnify the company and its directors, employees, company secretary, transfer secretary, service providers and advisors against any loss, injury, damage, penalty or claim arising in any way from the use of the electronic communication, whether or not the problem is caused by any act or omission on the part of the shareholder or anyone else. In particular, but not exclusively, the shareholder acknowledges that he/she will have no claim against the company and its directors, employees, company secretary, transfer secretary, service providers and advisors, whether for consequential damages or otherwise, arising from the use of the electronic communication or any defect in or from any failure in respect of the electronic communication, including any lines, connections or other electronic components providing a telecommunication link to the AGM.

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South Africa

Forms of proxy must be e-mailed to proxy@tmsmeetings.co.za to be received by TMS no later than at 14:00 on Wednesday, 27 November 2024. However, forms of proxy may also be handed to the chairperson of the AGM before the appointed proxy may exercise any shareholder rights at the AGM.

ANNEXURE A
SUMMARISED CONSOLIDATED ANNUAL FINANCIAL INFORMATION OF THE GROUP
FOR THE YEAR ENDED 30 JUNE 2024

Refer to the non-voting introductory point on the agenda

SUMMARISED CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

	Notes	**Year ended 30 Jun 2024 Audited Rm**	Year ended 30 Jun 2023 Audited Restated* Rm	% change
Revenue	1	**29 062**	29 628	(2)
Cost of revenue		**(23 921)**	(24 546)	
Gross profit		**5 141**	5 082	1
Operating profit before depreciation, amortisation and capital items		**3 694**	4 020	(8)
Depreciation and amortisation		**(1 444)**	(1 497)	
Operating profit before capital items		**2 250**	2 523	(11)
Capital items	2	**(46)**	(816)	
Operating profit		**2 204**	1 707	29
Finance costs		**(901)**	(833)	
Finance income		**76**	39	
Share of profit of associate and joint venture companies		**38**	39	
Profit before taxation		**1 417**	952	49
Taxation		**(213)**	(352)	
Profit for the year		**1 204**	600	101
Profit attributable to:				
Owners of the parent		**1 090**	528	106
Non-controlling interests		**114**	72	
Profit for the year		**1 204**	600	101
Other comprehensive (loss)/income				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations		**(191)**	230	
Total other comprehensive (loss)/income for the year, net of taxation		**(191)**	230	
Total comprehensive income for the year, net of taxation		**1 013**	830	22
Total comprehensive income attributable to:				
Owners of the parent		**901**	753	
Non-controlling interests		**112**	77	
Profit for the year		**114**	72	
Foreign currency translation reserve transferred to non-controlling interests		**(2)**	5	
Total comprehensive income for the year		**1 013**	830	22

Earnings per share attributable to owners of the parent	3	**Cents**	Cents	% change
Basic earnings		**43.8**	21.3	106
Diluted earnings		**43.2**	20.9	107

* Refer to note 9 for details on the restatement.

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 Jun 2024 Audited Rm	30 Jun 2023 Audited Restated* Rm
Assets		
Non-current assets		
Goodwill	**659**	662
Intangible assets	**1 790**	1 728
Property, plant and equipment	**16 043**	15 094
Right-of-use assets	**300**	390
Consumable biological assets	**1 586**	1 536
Investments in associate and joint venture companies	**250**	237
Investments and loans receivable	**4**	16
Deferred taxation assets	**81**	89
Derivative financial instruments	**58**	57
	20 771	19 809
Current assets		
Inventories	**3 807**	3 467
Trade and other receivables	**4 996**	4 814
Derivative financial instruments	**10**	111
Loans receivable	**23**	13
Taxation receivable	**93**	50
Cash and cash equivalents	**1 398**	1 453
	10 327	9 908
Assets held for sale	**–**	53
	10 327	9 961
Total assets	**31 098**	29 770
Equity and liabilities		
Capital and reserves		
Total equity attributable to owners of the parent	**12 475**	11 542
Non-controlling interests	**300**	277
Total equity	**12 775**	11 819
Non-current liabilities		
Loans and borrowings	**6 710**	6 849
Lease liabilities	**273**	323
Employee benefits	**39**	20
Provisions	**2**	2
Deferred taxation liabilities	**2 511**	2 533
Derivative financial instruments	**–**	8
	9 535	9 735
Current liabilities		
Loans and borrowings	**2 710**	2 247
Lease liabilities	**82**	126
Employee benefits	**415**	430
Provisions	**38**	41
Trade and other payables	**5 458**	5 224
Derivative financial instruments	**36**	80
Taxation payable	**49**	68
	8 788	8 216
Total equity and liabilities	**31 098**	29 770

* Refer to note 9 for details on the restatement.

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Year ended 30 Jun 2024 Audited Rm	Year ended 30 Jun 2023 Audited Restated* Rm
Balance at beginning of the year	**11 819**	11 750
Changes in reserves		
Total comprehensive income for the year attributable to owners of the parent	**901**	753
Ordinary dividends paid	**–**	(717)
Share-based payments	**25**	(15)
Other movements	**7**	(10)
Changes in non-controlling interests		
Total comprehensive income for the year attributable to non-controlling interests	**112**	77
Ordinary dividends paid	**(79)**	(34)
Shares issued to non-controlling interests	**–**	15
Shares purchased from non-controlling interests	**(10)**	–
Balance at end of the year	**12 775**	11 819
Comprising:		
Stated share capital	**7 896**	7 896
Distributable reserves	**7 741**	6 656
Share-based payment reserve	**629**	604
Reverse acquisition reserve	**(3 952)**	(3 952)
Other reserves	**161**	338
Non-controlling interests	**300**	277
	12 775	11 819

* Refer to note 9 for details on the restatement.

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended 30 Jun 2024 Audited Rm	Year ended 30 Jun 2023 Audited Restated* Rm
Operating profit	**2 204**	1 707
Adjusted for:		
Capital items	**46**	816
Depreciation and amortisation	**1 444**	1 497
Net fair value adjustments of consumable biological assets[(1)]	**(49)**	(24)
Other non-cash adjustments	**49**	37
Cash generated before working capital changes	**3 694**	4 033
Increase in inventories	**(333)**	(37)
Increase in trade and other receivables	**(134)**	(3)
Increase/(decrease) in trade and other payables	**264**	(104)
Changes in working capital	**(203)**	(144)
Cash generated from operations	**3 491**	3 889
Dividends received	**10**	10
Finance income received	**76**	39
Finance costs paid	**(1 092)**	(847)
Dividends paid	**(79)**	(751)
Taxation paid	**(307)**	(467)
Other	**–**	(18)
Net cash inflow from operating activities	**2 099**	1 855
Additions to property, plant and equipment[(2)]	**(2 182)**	(2 197)
Additions to intangible assets	**(19)**	(19)
Additions to consumable biological assets	**(1)**	(21)
Acquisition of subsidiaries and businesses, net of cash acquired	**(77)**	(37)
Other investing activities	**22**	(24)
Net cash outflow from investing activities	**(2 257)**	(2 298)
Net cash outflow from operating and investing activities	**(158)**	(443)
Transactions with non-controlling interests	**(19)**	(22)
Loans and borrowings received	**3 547**	2 612
Loans and borrowings repaid	**(3 183)**	(2 303)
Lease liabilities capital repayments	**(138)**	(120)
Other	**(33)**	–
Net cash inflow from financing activities	**174**	167
Net increase/(decrease) in cash and cash equivalents	**16**	(276)
Cash and cash equivalents at beginning of year	**1 453**	1 692
Effects of exchange rate translations on net cash and cash equivalents	**(71)**	37
Cash and cash equivalents at end of the year	**1 398**	1 453

* Refer to note 9 for details on the restatement.
(1) Includes fair value gains and decrease due to harvesting and sale of livestock.
(2) Net of proceeds from disposal of property, plant and equipment, insurance proceeds and government grants received.

SEGMENTAL ANALYSIS

	Note	Year ended 30 Jun 2024 Audited Rm	Year ended 30 Jun 2023* Audited Rm	% change
Revenue				
PG Bison		**5 758**	5 349	8
Safripol		**9 312**	10 310	(10)
Unitrans		**9 689**	10 052	(4)
Feltex		**2 654**	2 338	14
Restonic		**1 720**	1 590	8
Optix		**595**	523	14
		29 728	30 162	(1)
Intersegmental eliminations		**(666)**	(534)	
	1	**29 062**	29 628	(2)

	Year ended 30 Jun 2024 Audited Rm	Year ended 30 Jun 2023* Audited Restated Rm	% change
Operating profit before depreciation, amortisation and capital items			
PG Bison	**1 220**	1 139	7
Safripol	**527**	1 099	(52)
Unitrans	**1 344**	1 294	4
Feltex	**374**	325	15
Restonic	**180**	121	49
Optix	**42**	35	20
Corporate, consolidation and eliminations	**7**	7	–
	3 694	4 020	(8)
Operating profit before capital items			
PG Bison	**1 001**	933	7
Safripol	**352**	920	(62)
Unitrans	**508**	385	32
Feltex	**264**	226	17
Restonic	**125**	66	89
Optix	**–**	(7)	100
	2 250	2 523	(11)

* The comparatives have been re-presented. Refer to the Changes to segmental analysis section included in the selected explanatory notes for more detail.

	Notes	30 Jun 2024 Audited Rm	30 Jun 2023* Audited Restated Rm	% change
Operating assets				
PG Bison		**9 922**	8 261	20
Safripol		**7 410**	7 278	2
Unitrans		**7 379**	7 775	(5)
Feltex		**2 036**	2 000	2
Restonic		**1 736**	1 749	(1)
Optix		**857**	813	5
Corporate, consolidation and eliminations		**(91)**	(17)	
	5	**29 249**	27 859	5
Operating liabilities				
PG Bison		**1 417**	1 124	26
Safripol		**2 173**	2 174	–
Unitrans		**1 338**	1 372	(2)
Feltex		**478**	560	(15)
Restonic		**272**	229	19
Optix		**84**	104	(19)
Corporate, consolidation and eliminations		**226**	242	
	6	**5 988**	5 805	3
Net operating assets/(liabilities)(1)				
PG Bison		**8 505**	7 137	19
Safripol		**5 237**	5 104	3
Unitrans		**6 041**	6 403	(6)
Feltex		**1 558**	1 440	8
Restonic		**1 464**	1 520	(4)
Optix		**773**	709	9
Corporate, consolidation and eliminations		**(317)**	(259)	
		23 261	22 054	5
Net working capital				
PG Bison		**944**	970	(3)
Safripol		**1 103**	1 076	3
Unitrans		**709**	427	66
Feltex		**200**	189	6
Restonic		**136**	158	(14)
Optix		**127**	99	28
Corporate, consolidation and eliminations		**(336)**	(275)	
	7	**2 883**	2 644	9

* The comparatives have been re-presented. Refer to the Changes to segmental analysis section included in the selected explanatory notes for more detail.
(1) Net operating assets/(liabilities) comprise operating assets less operating liabilities.

SEGMENTAL ANALYSIS (continued)

	Year ended 30 Jun 2024 Audited Rm	Year ended 30 Jun 2023* Audited Rm
Replacement capital expenditure[(2)]		
PG Bison	**63**	98
Safripol	**179**	271
Unitrans[(3)]	**81**	386
Feltex	**105**	90
Restonic	**(5)**	16
Optix	**–**	10
	423	871
Expansion capital expenditure[(4)]		
PG Bison	**1 374**	733
Safripol	**100**	61
Unitrans	**172**	224
Feltex	**5**	85
Restonic	**22**	178
Optix	**86**	44
Corporate, consolidation and eliminations	**–**	1
	1 759	1 326
Total capital expenditure[(2)]		
PG Bison	**1 437**	831
Safripol	**279**	332
Unitrans[(3)]	**253**	610
Feltex	**110**	175
Restonic	**17**	194
Optix	**86**	54
Corporate, consolidation and eliminations	**–**	1
	2 182	2 197

* The comparatives have been re-presented. Refer to the Changes to segmental analysis section included in the selected explanatory notes for more detail.
(2) Net of proceeds from disposal of property, plant and equipment, insurance proceeds and government grants received.
(3) Unitrans proceeds from disposal of assets totalled R319 million (2023: R296 million) mainly due to the disposal of underutilised vehicles and trailers.
(4) Net of government grants received.

SELECTED EXPLANATORY NOTES

	Goods Rm	Services Rm	Rentals Rm	Total Rm
Note 1: Revenue				
Year ended 30 June 2024				
Audited				
PG Bison	6 445	–	–	6 445
Safripol	9 400	–	–	9 400
Unitrans	147	9 543	–	9 690
Feltex	2 657	–	–	2 657
Restonic	1 926	–	–	1 926
Optix	131	396	–	527
Gross revenue	20 706	9 939	–	30 645
Variable consideration	(984)	(1)	–	(985)
Intergroup eliminations	(139)	(519)	–	(658)
Revenue from contracts with customers	19 583	9 419	–	29 002
Optix	–	–	68	68
Intergroup eliminations	–	–	(8)	(8)
	19 583	9 419	60	29 062
Year ended 30 June 2023*				
Audited				
PG Bison	6 010	–	–	6 010
Safripol	10 431	–	–	10 431
Unitrans	66	9 986	–	10 052
Feltex	2 340	–	–	2 340
Restonic	1 764	–	–	1 764
Optix	132	322	–	454
Gross revenue	20 743	10 308	–	31 051
Variable consideration	(958)	–	–	(958)
Intergroup eliminations	(52)	(476)	–	(528)
Revenue from contracts with customers	19 733	9 832	–	29 565
Optix	–	–	69	69
Intergroup eliminations	–	–	(6)	(6)
	19 733	9 832	63	29 628

* The comparatives have been re-presented. Refer to the Changes to segmental analysis section included in the selected explanatory notes for more detail.

	Year ended 30 Jun 2024 Audited Rm	Year ended 30 Jun 2023 Audited Rm
Geographical distribution		
South Africa	24 432	24 290
Rest of Africa	3 722	3 886
Australasia	338	227
Americas	322	599
Europe	156	254
Middle East	91	370
Asia	1	2
	29 062	29 628

SELECTED EXPLANATORY NOTES (continued)

	Year ended 30 Jun 2024 Audited Rm	Year ended 30 Jun 2023 Audited Rm
Note 2: Capital items		
Loss on disposal of property, plant and equipment	(42)	(48)
Impairments[(1)]	(16)	(813)
Insurance income	12	45
	(46)	(816)

[(1)] Impairments of goodwill, intangible assets and property, plant and equipment.

	Note	Year ended 30 Jun 2024 Audited Cents	Year ended 30 Jun 2023 Audited Restated Cents
Note 3: Earnings			
Basic earnings per share		43.8	21.3
Diluted earnings per share		43.2	20.9
Headline earnings per share		45.3	47.3
Diluted headline earnings per share		44.6	46.4
Net asset value per share		500	466
		Rm	Rm
Headline earnings attributable to owners of the parent			
Basic and diluted earnings attributable to owners of the parent		1 090	528
Adjusted for:			
Capital items	2	46	816
Taxation effects of capital items		(12)	(174)
Non-controlling interests' portion of capital items, net of taxation		1	–
		1 125	1 170

	Year ended 30 Jun 2024 Audited Million	Year ended 30 Jun 2023 Audited Million
Weighted average number of ordinary shares		
Issued ordinary shares at beginning of the year	2 477	2 472
Effect of shares issued	9	3
Weighted average number of ordinary shares	2 486	2 475
Potential dilutive effect of share rights granted	35	44
Diluted weighted average number of ordinary shares	2 521	2 519
Number of ordinary shares in issue	2 494	2 477

Note 4: Fair values of financial instruments	Fair value hierarchy	Fair value as at 30 Jun 2024 Audited Rm	Fair value as at 30 Jun 2023 Audited Rm
Derivative financial assets	Level 2	**68**	168
Derivative financial liabilities	Level 2	**(36)**	(88)

There were no Level 1 or Level 3 financial assets or financial liabilities for 30 June 2024 and 30 June 2023.

In November 2022, the company entered into an equity derivative transaction for a total amount of R117 million to hedge the cash impact of a long-term incentive scheme. The hedging instrument's forward dates are 2 November 2026, 1 November 2027 and 31 October 2028, which closely coincide with the vesting dates of the long-term incentive scheme.

Level 2 financial instruments consist of derivative financial instruments that are valued using techniques where all the inputs that have a significant effect on the valuation are directly or indirectly based on observable market data. These inputs include foreign exchange rates and quoted share prices.

The carrying amount for all financial instruments approximates the fair value, with the exception of loans and borrowings where the fair value at 30 June 2024 is R9 475 million (30 June 2023: R9 165 million).

	30 Jun 2024 Audited Rm	30 Jun 2023 Audited Restated Rm
Note 5: Operating assets		
Goodwill	**659**	662
Intangible assets	**1 790**	1 728
Property, plant and equipment	**16 043**	15 094
Right-of-use assets	**300**	390
Consumable biological assets	**1 586**	1 536
Inventories	**3 807**	3 467
Trade and other receivables	**4 996**	4 814
Derivative financial instruments	**68**	168
	29 249	27 859
Note 6: Operating liabilities		
Employee benefits	**454**	450
Provisions	**40**	43
Trade and other payables	**5 458**	5 224
Derivative financial instruments	**36**	88
	5 988	5 805
Note 7: Net working capital		
Inventories	**3 807**	3 467
Trade and other receivables	**4 996**	4 814
Employee benefits	**(454)**	(450)
Provisions	**(40)**	(43)
Trade and other payables	**(5 458)**	(5 224)
Net derivative financial instruments	**32**	80
	2 883	2 644
Note 8: Capital commitments		
Capital expenditure		
Contracts for capital expenditure authorised	**134**	1 001

Capital expenditure will be financed from cash flow from operating activities and existing borrowing facilities.

SELECTED EXPLANATORY NOTES (continued)

Note 9: Restatement of prior year error

During October 2023, management detected that a major supplier had incorrectly invoiced Safripol Proprietary Limited, a subsidiary of the company, for the period 1 February 2022 to 30 September 2023. This resulted in Safripol being overcharged, with a resultant overstatement in raw material purchases amounting to R183 million, of which R163 million related to the period prior to 1 July 2023. The error was immediately corrected, and the overcharges recovered from the supplier. The prior year has been restated to correct the impact of the error as follows:

	As reported for the year ended 30 Jun 2023 Rm	Restatement Rm	As restated for the year ended 30 Jun 2023 Rm
Income statement and statement of comprehensive income			
Cost of sales	(24 702)	156	**(24 546)**
Gross profit	4 926	156	**5 082**
Operating profit before depreciation, amortisation and capital items	3 864	156	**4 020**
Operating profit before capital items	2 367	156	**2 523**
Operating profit	1 551	156	**1 707**
Profit before taxation	796	156	**952**
Taxation	(310)	(42)	**(352)**
Profit for the year	486	114	**600**
Total comprehensive income for the year, net of taxation	716	114	**830**
Statement of financial position			
Inventories	3 474	(7)	**3 467**
Total current assets before assets held for sale	9 915	(7)	**9 908**
Total current assets	9 968	(7)	**9 961**
Total assets	29 777	(7)	**29 770**
Total equity attributable to owners of the parent	11 428	114	**11 542**
Total equity	11 705	114	**11 819**
Trade and other payables	5 387	(163)	**5 224**
Taxation payable	26	42	**68**
Total current liabilities	8 337	(121)	**8 216**
Total equity and liabilities	29 777	(7)	**29 770**
Statement of cash flows			
Operating profit	1 551	156	**1 707**
Cash generated before working capital changes	3 877	156	**4 033**
Working capital changes			
Increase in inventories	(44)	7	**(37)**
(Decrease)/increase in trade and other payables	59	(163)	**(104)**
Changes in working capital	12	(156)	**(144)**
Cash generated from operations	3 889	–	**3 889**
	Cents	Cents	**Cents**
Earnings			
Basic earnings per share	16.7	4.6	**21.3**
Diluted earnings per share	16.4	4.5	**20.9**
Headline earnings per share	42.7	4.6	**47.3**
Diluted headline earnings per share	41.9	4.5	**46.4**
Net asset value per share	461	5	**466**

Statement of compliance

The summary consolidated financial statements have been prepared and presented in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards as issued by the International Accounting Standards Board ('IFRS Accounting Standards'), the SAICA *Financial Reporting Guides* as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Limited ('JSE') Listings Requirements, as a minimum the information as required by IAS 34 – *Interim Financial Reporting* and the requirements of the Companies Act, No. 71 of 2008 of South Africa. The summary consolidated financial statements have been prepared using accounting policies that comply with IFRS Accounting Standards, which are consistent with those applied in the consolidated financial statements for the year ended 30 June 2023.

Basis of preparation

The summary consolidated financial statements are prepared in millions of South African rand (Rm) on the historical cost basis, except for certain assets and liabilities, which are carried at amortised cost, and derivative financial instruments and consumable biological assets, which are stated at their fair values. The preparation of the consolidated financial statements and summary consolidated financial statements for the year ended 30 June 2024 was supervised by Frans Olivier CA(SA), the group's chief financial officer.

Changes to segmental analysis

The segmental analysis has been adjusted to disclose the results of the group's six operating segments which give information to investors and stakeholders regarding the financial results and financial position of the operating segments that are used by the group's chief operating decision-makers. This is a result of the consolidation of Unitrans, previously disclosed in three divisions (Unitrans South Africa, Unitrans Africa and Unitrans Passenger), into a single business, with a single strategy and management structure, which commenced during FY23.

During the year, the fibre recycling business, Connacher, was transferred from the Restonic to the Feltex segment as the bulk of its products is utilised in the automotive sector, with Feltex already being a major client. The comparative information has been re-presented.

Accounting policies

The accounting policies and methods of computation of the group have been consistently applied to periods presented in the summary consolidated financial statements and are in accordance with IFRS Accounting Standards.

During the current year, the group has adopted all the new and revised standards issued by the International Accounting Standards Board that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2023. The adoption thereof did not have a material impact on the summary consolidated financial statements.

Financial statements

The consolidated financial statements for the year, which have been audited by KPMG Inc., and their accompanying unmodified audit report, which includes their key audit matters, are available on the company's website at www.kap.co.za. Information included under the headings Outlook and Operational review and any reference to future financial information included in the summary consolidated financial information, has not been audited or reviewed. The auditor's report does not necessarily report on all the information contained in this announcement. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of both the auditor's report and the accompanying financial information (www.kap.co.za). The results were approved by the board of directors on 29 August 2024.

The annual general meeting ('AGM') of KAP shareholders has been scheduled to take place on Friday, 29 November 2024 at 15:00 in Stellenbosch.

The notice for the AGM will be published on SENS and dispatched to shareholders in due course.

Business combinations

Effective 1 March 2024, the group acquired 100% of the shares of Imvusa Interior Trim Proprietary Limited for R86 million. This resulted in intangible assets of R54 million, net of deferred taxation, being recognised.

Events after reporting date

The directors are not aware of any other significant events after the reporting date that will have a material effect on the group's results or financial position as presented in these summary consolidated financial statements.

Independent auditor's report on the summary consolidated financial statements

To the shareholders of KAP Limited

Opinion

The summary consolidated financial statements of KAP Limited, which comprise the summarised consolidated statement of financial position as at 30 June 2024, summarised consolidated income statement and statement of comprehensive income, summarised consolidated statement of changes in equity and summarised consolidated statement of cash flows for the year then ended, segmental analysis and related notes, are derived from the audited consolidated financial statements of KAP Limited ('the group') for the year ended 30 June 2024.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements of KAP Limited, in accordance with the basis described in the statement of compliance and the basis of preparation paragraphs to the summary consolidated financial statements.

Summary consolidated financial statements

The summary consolidated financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board ('IFRS Accounting Standards'). Reading the summary consolidated financial statements and our report thereon, therefore is not a substitute for reading the audited consolidated financial statements and our 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 29 August 2024. That report also includes the 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 financial statements for the current period.

SELECTED EXPLANATORY NOTES (continued)

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 basis described in the statement of compliance and the basis of preparation paragraphs to the summary consolidated 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*.

KPMG Inc.

KPMG Inc.
Registered auditor
Per IM Engels
Chartered accountant (SA)
Registered auditor
Director
29 August 2024

The Halyard
4 Christiaan Barnard Street
Foreshore
Cape Town
8001

Changes to the board, board committees and key portfolios

At conclusion of the company's AGM , which was held on 21 November 2023, KJ (Jo) Grové retired and stepped down from his position as lead independent non-executive director on the KAP board of directors ('board'). JA Holtzhausen was appointed as lead independent non-executive director in Jo's stead on 18 December 2023.

V McMenamin stepped down as a member of the sustainability, social and ethics and the human capital and remuneration committees, effective 1 September 2023, but retained her position as an independent non-executive director on the board.

TC Esau-Isaacs stepped down as a member of the investment committee, effective 18 December 2023.

AFB Mthembu was appointed as an independent non-executive director to the board on 15 January 2024. He also serves as a member of the human capital and remuneration and the investment committees.

SN Maseko was appointed as an independent non-executive director to the board on 15 March 2024. He also serves as a member of the sustainability, social and ethics and the investment committees.

ANNEXURE B

CURRICULA VITAE OF THE DIRECTORS STANDING FOR ELECTION AND RE-ELECTION ON THE BOARD AND THE AUDIT AND RISK COMMITTEE

Refer to ordinary resolutions numbers 2, 3 and 4

AFB (Andrew) Mthembu (68)

BSc (Chem, Biol), BSc (Civ Eng), MSc (Const Mgmt), Advanced Management Programme

Independent non-executive director

Andrew holds degrees in Chemistry and Biology, Civil Engineering and Construction Management obtained in Botswana, Canada and the UK respectively, and attended Advanced Management Programmes in the USA. He is the executive chairperson of Imphandze Investment Holdings Proprietary Limited and former Deputy Group CEO of the Vodacom Group, instrumental in their African Expansion plan. Andrew has held directorships in the IT, infrastructure, digital security, shipping and agriculture industries, and is a past IT advisor to the Minister of Public Enterprises in South Africa. He was the inaugural chairperson of Broadband Infraco in South Africa, and was instrumental in the conceptualisation and rollout of the West African Cable System, which led to the promotion of the BRICS Cable System. Andrew was part of the team that delivered the International Broadcast Centre for the 2010 FIFA Soccer World Cup in South Africa. He has experience in mergers, acquisitions and disposals, has worked for major industrial conglomerates in the infrastructure sector, and advised and assisted international OEMs with their market development in the Southern African Development Community. Andrew was appointed as an independent non-executive director of KAP Limited on 15 January 2024.

– Member of the human capital and remuneration committee
– Member of the investment committee

SN (Sipho) Maseko (56)

BA, LLB

Independent non-executive director

After completing his articles at Werksmans, Sipho held positions with the Department of Trade and Industry and the Financial Services Board. He spent more than a decade with BP South Africa, serving as the managing director of Retail Southern Africa before becoming chief operating officer and chief executive officer of BP Africa. Sipho later joined Vodacom as managing director South Africa and COO. He served as the CEO of Telkom for nine years. Sipho has previously served as chairperson of Shell and BP South African Petroleum Refineries, and as a non-executive director of Afrox Limited, Gyro Group and Trudon Proprietary Limited. He is currently an independent non-executive director of Shoprite Holdings Limited, an advisory board member of the Centre for Development and Enterprise, and runs a family business which provides real estate, infrastructure and agricultural advisory services. Sipho was appointed as an independent non-executive director of KAP Limited on 15 March 2024.

– Member of the sustainability, social and ethics committee
– Member of the investment committee

TC (Tamara) Esau-Isaacs (48)

CA(SA)

Independent non-executive director

Tamara started her career at PricewaterhouseCoopers, where she rose to the position of audit partner and served for three years as the human capital partner. She later joined KPMG and served as the partner in charge of management consulting at their Cape Town office and as a member of the KPMG Consumer Markets forum. Tamara served as an independent non-executive director of PSG Konsult Limited from 2019 until 2023. She was appointed as an independent non-executive director to the board of FirstRand Limited with effect from 22 June 2023. Tamara has a strong social upliftment background and is a long-standing trustee of the Mitchells Plain Bursary and Role Models Trust. Tamara is a fellow of the Africa Leadership Initiative. During the Covid-19 pandemic, Tamara spearheaded an initiative that aims to increase the number of learners from Mitchells Plain, Philippi and Khayelitsha entering post-matric education. She was appointed as an independent non-executive director of KAP Limited on 30 June 2021.

– Member of the audit and risk committee
– Member of the sustainability, social and ethics committee

KT (Ken) Hopkins (69)

BCom (Hons), CA(SA)

Independent non-executive director

Ken became a CA(SA) in 1978, and was an audit partner at Deloitte & Touche and KPMG for more than 30 years, where he specialised in auditing and advising financial institutions. As a retired audit partner and full-time professional director, Ken serves in a non-executive capacity on the boards of Old Mutual Finance RF Proprietary Limited and 27Four Holdings Limited, where he chairs the audit and risk committees. Ken is also a member of the social and ethics and remuneration committees of 27Four Holdings Limited. Ken was appointed as an independent non-executive director of KAP Limited on 6 December 2019.

– Chairperson of the audit and risk committee

Z (Zellah) Fuphe (56)

BSocSci, CD(SA), GIBS GEDP

Independent non-executive director

Zellah has a Bachelor's degree in Social Sciences, completed the GIBS Global Executive Development Programme in 2015, and is certified as a Chartered Director (SA) by the Institute of Directors in South Africa. She started her career with Engen Limited ('Engen'), followed by various executive positions, including as managing director of Plessey South Africa Proprietary Limited, managing director of Worldwide African Investment Holdings Proprietary Limited and chief executive officer of Afric Oil Proprietary Limited. Prior to her promotion as the global chief risk and sustainability officer at Nippon Telegraph and Telephone (the Dimension Data parent company) in September 2022, she served as the chief corporate governance officer of Dimension Data Middle East and Africa. Zellah has previously served as a non-executive director on the boards of AECI Limited, Engen, Afric Oil, Oceana Group Limited, 18th World Petroleum Council 2005, Worldwide Coal Carolina and the Unisa School of Business Leadership. Zellah was appointed as an independent non-executive director of KAP Limited on 1 March 2020.

– *Chairperson of the sustainability, social and ethics committee*
– *Member of the audit and risk committee*
– *Member of the nomination committee*

SH (Steve) Müller (63)

BAcc (Hons), CA(SA), Sanlam EDP

Independent non-executive director

Steve qualified as a chartered accountant and worked at KPMG from 1983 to 1992. In 1995, Steve joined Genbel Investments, where he rose to the positions of chief operating officer: Equities of Genbel Securities Limited, and executive director of Gensec Bank Limited. He also served as a non-executive director and member of the audit and remuneration committees of various investee companies within the Genbel Securities Group. In 2008, he retired from the group to pursue his own interests. Steve served as an independent non-executive director and chairperson of the audit committee of SACOIL Limited from 2013 to 2016. In August 2017, Steve became an independent non-executive director of Pepkor Holdings Limited and in January 2018, he was appointed as an independent non-executive director of the Phumelela Gaming and Leisure Limited board. Steve is a member of the IoDSA and was a member of SAICA from 1990 to 2023.
Steve was appointed as an independent non-executive director of KAP Limited in 2012.

– *Chairperson of the human capital and remuneration committee*
– *Chairperson of the investment committee*
– *Member of the audit and risk committee*
– *Member of the sustainability, social and ethics committee*

ANNEXURE C
REMUNERATION POLICY

Refer to agenda point 6 – Ordinary resolution number 6.1 (non-binding advisory vote)

BACKGROUND STATEMENT

Introduction

Our remuneration review sets out the remuneration policy for the group and the implementation and remuneration disclosures ('remuneration implementation report') for the remuneration of executives and non-executive directors ('NEDs') for the 2024 financial year and is presented in three parts:

1. The background statement, which provides context for our remuneration policy and performance;
2. An overview of the forward-looking remuneration policy applicable in the 2025 financial year; and
3. The remuneration implementation report which sets out in detail how the existing remuneration policy was implemented during the 2024 year under review, including disclosure on remuneration earned by executive directors and other executive committee members and paid to NEDs.

Remuneration governance

Our board is responsible for the group's remuneration policy and is assisted by our human capital and remuneration committee ('the committee') which operates according to its board-approved charter. The board therefore oversees the implementation and execution of its approved remuneration policy through the committee, which comprises three independent NEDs, one of whom is appointed as chairperson.

In terms of the recommendations of King IV™, board committees should have cross membership to ensure a balanced distribution of power and to enhance effective collaboration. In line with these recommendations, SH Müller, chairperson of the committee, is also a member of the sustainability, social and ethics committee, the audit and risk committee and the investment committee. JA Holtzhausen, who was appointed as lead independent NED on the board on 21 November 2023, is a member of this committee, the investment committee and the nominations committee. AFB Mthembu, who was appointed to the committee on 15 January 2024 is also a member of the investment committee.

Our chief executive officer and corporate affairs director attend the committee meetings by invitation and recuse themselves from discussions or decisions which relate to them.

The committee is compliant with applicable statutory and best practice membership criteria.

The committee has two formal scheduled meetings per year and meets more often on an ad hoc basis as required to fulfil its mandate. The chairperson provides feedback to the board after each committee meeting regarding key decisions and relevant discussions and attends the AGM to address questions by shareholders on the committee's areas of responsibility.

Due to the group's decentralised management structures, the committee has established divisional human capital and remuneration subcommittees ('the divisional subcommittees'). The divisional subcommittees are supported by experienced human capital practitioners at group and divisional level. They hold the responsibility for the implementation and management of human capital and remuneration strategies, policies and practices, at a divisional level, in line with those set by the committee. The divisional subcommittees comprise our CEO, CFO and corporate affairs director, as well as our divisional CEOs and human capital executives. Our CEO chairs the divisional subcommittees.

BACKGROUND STATEMENT (continued)

Remuneration philosophy

Our human capital strategy is to attract, motivate and retain the best people in our industries who are able to perform and excel within our entrepreneurial and performance-driven culture to ensure the effective implementation of our business strategy and the long-term sustainability of our group. Our remuneration philosophy is a key element of this strategy and therefore aims to provide remuneration that is competitive in the industries and markets in which we operate and compete, fair and equitable, and rewards performance.

Our remuneration objectives are achieved by:

- positioning guaranteed executive salary packages in line with industry benchmarks; and
- designing short and long-term incentives to ensure, as practically as possible, the delivery of the group's strategic objectives and to reward performance.

While our remuneration philosophy serves as an essential tool in enabling our employees to deliver on our strategic objectives, we acknowledge that it should support sustainable value creation for our key stakeholders, including ensuring alignment between executive remuneration and shareholder interests. In this regard, we believe that our remuneration decisions are fair and remain appropriately aligned with shareholder and stakeholder interests over the long term.

Key committee activities

The committee met formally during the year on 2 August 2023, 14 September 2023 and 16 November 2023 with all its members present. The following were the key activities of the committee:

- reviewing the group's human capital strategy and the alignment thereof with the company's business strategy;
- evaluating the human capital management practices in place across the group to ensure fairness, responsibility, transparency, alignment with King IV™, and compliance with the specific requirements of the relevant labour legislation;
- reviewing the group's approach to diversity and inclusion, with specific reference to employment equity;
- reviewing succession plans of executives and senior management levels in the group;
- reviewing the risk associated with the loss of key personnel and the implementation of associated talent retention measures;
- approving the remuneration of executives, including guaranteed salary increases, annual incentive bonus ('AIB') payments and share right scheme ('SRS') vesting outcomes;
- reviewing the remuneration policy and making changes following the negative non-binding advisory shareholder votes relating to our remuneration policy and implementation report resolutions during the November 2022 AGM; and
- making recommendations for adjustments to the forward-looking fees of the NEDs to our board for approval and voting by shareholders at the November 2023 AGM.

In addition, as recommended by King IV™, the committee also reflected on its prior year self-assessment outcomes to determine whether the identified shortcomings have been addressed appropriately. The committee is satisfied that it has fulfilled its responsibilities during the year.

Access to information and advisors

Members of the committee may access any information to inform their independent judgement on remuneration and related matters. During the year, the committee received reports from Remchannel Proprietary Limited ('Remchannel') to ensure that the group's remuneration levels are competitive and appropriate within our specific markets and geographical areas of operation.

In addition, the committee engaged PricewaterhouseCoopers Incorporated ('PwC') to evaluate whether the variable pay measurement criteria included in the proposed FY25 remuneration policy is appropriate and credible relative to other JSE-listed companies and to conduct an independent benchmarking study to assess whether the NED fee structure and levels were still appropriate prior to the presentation of the 2024 NED fee proposal to the board for onward presentation to shareholders for approval.

The committee is satisfied that Remchannel and PwC are independent and objective.

The environment in which we remunerate

The committee considered the following factors in its deliberations during the year:

- The challenging macroeconomic environment, including the negative effects of elevated inflation and interest rates, low economic growth, subdued consumer demand, loadshedding and deteriorating national and municipal infrastructure that affect our operations.
- The escalating risk of loss of key personnel to competitors, other industries and emigration, bearing in mind that we compete globally for scarce skills.
- The need to reward our employees appropriately for their contribution to the group's performance, taking into consideration the complex, uncertain and competitive operating environment, to ensure a balanced outcome for our key stakeholders over the long term.
- The shareholder support of 80.20% and 66.21% received on our remuneration policy and implementation report respectively at the November 2023 AGM.

Changes to the FY23 remuneration policy

The group's strategic focus areas in FY24 were the following:

- completion of major capital projects;
- major restructuring of Unitrans;
- growing market share locally and in export markets;
- implementing operational initiatives to deliver cost savings;
- improving asset utilisation and disposing of underutilised assets; and
- optimising working capital, increasing free cash flow generation and containing debt.

The committee made changes to the FY24 remuneration policy relating to the measurement criteria for the vesting of the AIB scheme to ensure continued alignment between the above strategic focus areas and to consider feedback following engagement with dissenting shareholders who voted against our FY23 remuneration policy.

- In respect of the core HEPS growth target for FY24, while GDP growth + consumer price inflation ('CPI') remains a key hurdle for performance, the base year for calculation of the target, being FY23 HEPS, was adjusted upward from 42.7 cps to 50.3 cps to account for exceptional items during FY23. This effectively increased the HEPS hurdle required for achievement of FY24 AIBs by executives by 18%.
- In view of the subdued macroeconomic and operating environment that was anticipated for FY24, high interest rates, and debt levels that increased over time during the completion of the major capital projects, significant focus was placed on remaining within debt covenants. The achievement of budgeted debt covenant ratios, which are more onerous than the actual debt covenants, was therefore included as an AIB measurement criterion to improve alignment between shareholder expectations and management remuneration in FY24.
- All non-financial measurements, which formed part of the FY23 AIB measurement criteria, were removed from the FY24 measurement criteria except for the achievement of the budgeted B-BBEE score. This was amended from a 10% proportion of the AIB to a 10% penalty against total allocation if not achieved.

Business performance and remuneration outcomes for FY24

During the year, the domestic macroeconomic and operating environment remained challenging. Elevated inflation and interest rates negatively affected consumer demand, and infrastructure disruptions increased operational complexity for our divisions. The global polymers industry deteriorated further in a cyclical low, due to increased global capacity and subdued global demand growth.

Five of our six divisions delivered an improved operating profit during the year. However, this was more than offset by a deterioration in Safripol's profitability, which was affected more than anticipated by a cyclical low in the polymers industry. EBITDA declined by 8%, operating profit by 11% and HEPS by 4%, which meant that the HEPS targets for the AIB were not met. Although the group was within its debt covenants and raised a R3 billion revolving credit facility with favourable interest rates and covenants, the actual debt covenants did not meet the target set by the board for the AIB. The details of the vesting of the variable incentive schemes are set out in the remuneration implementation report on page 37.

Non-binding advisory vote and shareholder engagement

As per the recommendations of King IV™, in addition to the statutory requirement to obtain shareholder approval for the payment of fees to the NEDs, the remuneration policy and remuneration implementation report are tabled each year for separate non-binding advisory votes by shareholders at our AGM. If shareholders vote against either the remuneration policy or the remuneration implementation report by 25% or more of the total voting rights exercised at the AGM, we issue an invitation to dissenting shareholders to engage with us in order to address legitimate and reasonable concerns.

The following reflects the non-binding advisory shareholder votes at the AGM held on 21 November 2023:

	Votes in favour %	Votes against %
Remuneration policy	80.20	19.80
Implementation report	66.21	33.79

As a result of receiving less than 75% shareholder support for the remuneration implementation report, we provided a platform to engage with dissenting shareholders. This engagement was via an invitation released on SENS on 22 November 2023, inviting them to submit, in writing, recommendations in relation to the remuneration policy and/or implementation report, for consideration by the committee. The committee responded to each submission through a direct engagement with the relevant dissenting shareholders.

Following this engagement, the committee amended certain aspects of remuneration to balance shareholder concerns with the need to reward executives appropriately for their contribution to the achievement of our strategic objectives.

BACKGROUND STATEMENT (continued)

The table below summarises the actions the committee took in response to shareholder feedback:

Issue raised	Shareholder feedback	Committee action
ROE > WACC SRS return measurement	ROE in the SRS should be assessed relative to the cost of equity. Alternatively, ROCE should be used as a return metric relative to WACC.	The committee has revised the remuneration policy and ROCE will be used as the return metric for measurement periods effective from FY25.
Stretch targets for both AIB and SRS vesting	The core HEPS growth > GDP growth + CPI measurement in the AIB scheme and SRS do not constitute sufficient stretch targets to justify incentive payments.	Following a period of significant capital investment and business restructuring, the board approved a five-year strategic plan in June 2024, which provides compelling growth targets for the group. This means that the more stable earnings growth targets of GDP growth + CPI, as incorporated in the FY24 remuneration policy, are no longer relevant in isolation. While earnings growth in excess of GDP growth + CPI over time remains an important deliverable, certain key measures from the group's five-year strategic plan have been incorporated into the AIB scheme and SRS to drive ownership of the plan and delivery against recent investments and restructuring as below: • In terms of the proposed remuneration policy, HEPS growth targets for the FY25 AIB scheme will be set by the board through the budget process and will be disclosed retrospectively in the FY25 implementation report in order not to present an earnings or profit forecast. • The longer-term HEPS growth targets for the December 2024 SRS awards are also referenced to the five-year strategic plan and are disclosed in the policy.
Use of 'core' figures	The use of 'core' figures to measure HEPS, EBITDA and operating profit growth targets for vesting purposes in the AIB scheme and SRS can be subject to abuse.	In terms of the proposed remuneration policy, actual reported earnings will be used to measure earnings growth in both the AIB scheme and SRS effective FY25. 'Core' will no longer be used.
Binary target approach to SRS vesting	The use of linear or tiered vesting (i.e. threshold, target and stretch) is preferred over the binary target approach in the SRS for executive directors.	The shareholder recommendation for tiered vesting has been incorporated in the earnings measurement criteria in both the AIB scheme and SRS.
Guaranteed salary levels for the CEO and CFO	The guaranteed pay for the CEO and CFO is high relative to the market and peers.	As part of the group's remuneration policy, the committee engages regularly with independent external advisors to assess the guaranteed pay levels of executives, including the CEO and CFO. Following shareholder feedback, independent assessment and verification thereof was conducted by PwC, Remchannel and Emergence during FY24. The outcome of this assessment reaffirmed the previous independent assessments that the executive guaranteed pay levels are in line with those of companies of comparable size, sector, business complexity, markets and geographical location. Despite this outcome, the committee used its discretion not to award an inflation-linked salary increase to the CEO and CFO for FY24, which kept their guaranteed salary at FY23 levels. These reports were rolled forward by one year and reconsidered by the committee in relation to CEO and CFO salary adjustment for FY25.

The changes referred to above are detailed in the remuneration policy and will be presented to shareholders for a separate non-binding advisory vote at our upcoming AGM in November 2024.

Planned focus areas in relation to FY25

We expect the South African macroeconomic and operating environment to remain challenging and for the global polymers downcycle to persist in the coming year. The group is committed to executing on the following material items:

- value realisation from our major capital projects;
- completing the restructuring of Unitrans and repositioning the division for growth;
- increasing free cash flow; and
- reducing net debt.

Additionally, all our divisions will focus on growing market share, improving margins and returns, and optimising assets. These items are aligned with the targets set in the remuneration policy.

Based on the above strategic objectives, the committee intends to focus on the following areas in FY25:

- The continued implementation of a human capital strategy, informed by our values, to ensure that we are an employer of choice with a culture, policies and procedures that set high expectations for performance, while simultaneously providing a stimulating and inclusive environment for our people.
- Implementing an optimal organisational design for the group and recruiting key leadership to execute both the group and divisional strategies.
- Ensuring that the capacity, competence and balance of divisional executive committees ('Excos') is in place to determine and execute their respective strategies.
- Ensuring that the group has the necessary sales competence and capacity to execute the strategy.
- Reviewing and adjusting executives' key performance indicators ('KPIs') in line with the group's strategic objectives.
- Implementing policies and practices that promote diversity, inclusion and depth of succession talent.
- Remaining up to date with key issues that influence remuneration in the current dynamic operating environment.

Conclusion

The committee is satisfied that it has fulfilled the requirements of its charter and that the objectives of the remuneration policy have been met, without material deviation.

REMUNERATION POLICY FOR 2025

Introduction

The human capital and remuneration committee ('committee') has made changes to certain aspects of our remuneration policy to balance shareholder concerns with the need to reward executives appropriately for their contribution to the achievement of our strategic objectives. These changes are reflected in our proposed remuneration policy applicable to the 2025 financial year.

Remuneration governance

The board carries ultimate responsibility for the remuneration policy. The committee functions as a subcommittee of the board in terms of a board-approved mandate to evaluate and monitor the company's remuneration philosophy and practices and to ensure consistency with governance principles and company strategy. The committee implements a remuneration policy, which is approved by the board, to assist in the achievement of the company's strategy. The remuneration policy is reviewed on an annual basis and is aligned with the recommendations of King IV™, based on the following principles:

- Remuneration practices throughout the company are aligned with the applicable business vision and strategy.
- Remuneration is set at levels that are competitive and appropriate within the specific markets, geographical areas and industries in which the company operates.
- Incentive-based remuneration, which is applicable to management involved in determining and implementing the strategy of the company and/or divisions of the company, is determined with reference to financial performance targets, strategic initiatives critical to the achievement of the company and divisional strategies and business plans and individual KPIs.
- Executive remuneration is fair, responsible and transparent within the context of the overall remuneration of the company.

Linking remuneration to the group strategy

In June 2024, the board approved the group's five-year strategic plan, the mechanism the group uses to quantify the financial impact of the strategic focus areas. In terms of the group's five-year strategic plan, management will focus on executing on the following material items: value realisation from our major capital projects, repositioning our divisions for organic and expansionary growth, increasing free cash flow and reducing net debt. Additionally, all our divisions will focus on growing market share, improving margins and returns, and optimising assets. These key measures have been incorporated in the AIB scheme and SRS to drive ownership and execution of the group's five-year plan by executive directors and management.

Alignment between human capital strategy, remuneration philosophy and policy

The objective of our human capital strategy is to attract, motivate and retain the best people in our industries who are able to perform and excel within our entrepreneurial and performance-driven culture to ensure the effective implementation of our strategy and the long-term sustainability of our group. The success of our business is dependent on our people's ability to deliver quality products and services and to maintain high standards of customer service in very competitive sectors. Our remuneration philosophy is to provide remuneration that is competitive, fair and equitable, rewards performance, and attracts, retains and motivates our executives, managers and employees across all levels of our group. Our remuneration policy aims to facilitate implementation of our human capital strategy and remuneration philosophy.

Benchmarking of remuneration

Benchmarking of the remuneration of our executive directors and management is undertaken every two years, using the services of independent experts, in order to ensure that remuneration is market-related and equitably awarded through our remuneration systems and practices. The committee aims to ensure an appropriate balance between the guaranteed and performance-related elements of remuneration, as well as between short-term performance and long-term sustainable stakeholder value creation. The committee considers each element of remuneration relative to the market and, in determining its quantum, takes into account the performance of the company and/or division, the management team and the individual concerned.

Elements of remuneration

Our remuneration policy covers three elements of remuneration: guaranteed salary, variable performance-related incentives and operational executive retention.

Guaranteed salary ('salary')

Guaranteed salary incorporates all guaranteed cash benefits on a total cost-to-company ('CTC') basis and is intended to provide employees with a competitive level of remuneration. Company performance, individual performance, the economic environment and changes in responsibilities are taken into consideration when determining annual CTC salaries.

The amount of the CTC salary is determined, with effect from 1 July each year, based on parameters approved by the board. Pay levels are based on individual and market factors, as follows:

- Job profiles are compiled for each approved position in the company, and these are graded using the Paterson grading system.
- A competency profile is also determined for each approved position. Performance reviews of employees against these profiles may lead to an employee receiving merit increments from time to time, which may result in an individual earning remuneration above the market median, but within market norms. The remuneration levels of key management categories are benchmarked every two years, using the market median of independent salary surveys as reference.
- The qualifications, skills and experience of the individuals concerned are taken into account relative to the relevant job, competency profiles and performance requirements.

Inflationary remuneration adjustments are considered annually, taking into account relevant CPI indices and market benchmarks.

The remuneration of employees, other than those represented by unions and other bargaining structures, is contracted on a CTC basis, which includes basic cash remuneration, allowances and contributions by the company to retirement savings, risk insurance and medical schemes. In terms of this arrangement, a minimum level of healthcare cover is a condition of employment at certain levels. The company does not provide employees with post-retirement healthcare benefits. Employees throughout the group are able to contribute to various independently administered defined-contribution retirement schemes.

We encourage union membership and collective bargaining among our employees in order to provide for responsible and structured engagement. Wages and substantive conditions of employment of employees represented by trade unions or similar bargaining structures and similarly graded positions are negotiated from time to time with the applicable bargaining structures, preferably via collective bargaining processes. Changes to remuneration and benefits are negotiated in one-, two- or three-year arrangements. Multiyear arrangements are favoured as they promote stability and consistency in industrial relations. Access by these employees to suitable medical, retirement and associated insured benefits is also facilitated by the company, where appropriate.

Variable performance-related incentives ('incentives')

The principle underlying this policy is to ensure that executives and senior managers are rewarded for performance that advances the company strategy. Variable pay is designed to incentivise and reward both individual and team effort and serves as a tool to attract, motivate and retain employees of the calibre required to achieve the company strategy. This policy is also intended to ensure that executives and senior management are duly motivated to achieve organisational goals and strategic objectives to ensure the long-term sustainability of the company in a balanced and socially and environmentally responsible manner, to the benefit of stakeholders.

Incentives are reported in the annual remuneration implementation report in the period in which they are earned, together with the relevant performance targets and achievement against those targets. The committee retains discretion in terms of the award of incentives, which is only exercised in exceptional circumstances. When exercised, it is reported accordingly in the annual remuneration implementation report.

Annual incentive bonus ('AIB')

The AIB is intended to incentivise short-term performance on an annual basis.

The committee has made changes to the measurement criteria in order to better align the short-term incentives to the group's five-year strategic plan and shareholder interests. The committee has set measurement criteria and targets for the FY25 AIB scheme, based on three considerations:

- **Financial:** The group's five-year strategic plan, which incorporates our divisional strategies and the impact of recent capital investments and restructuring activities, guided the financial targets set by the committee. The committee also considered the prior year performance, market conditions and the group's long-term strategy.
- **Operational:** The group's five-year strategic plan also informed the operational targets.
- **Individual:** The committee introduced individual KPIs to reward senior management of corporate services for the implementation of strategic and operational initiatives that support group performance.

a) Corporate services AIB framework

The committee made the following changes in the FY25 AIB scheme for corporate services to better align the short-term incentives to the group's five-year strategic plan and shareholder interests:

- HEPS growth, exceeding GDP growth + CPI, as incorporated in previous remuneration policies, remains a key deliverable over the long term. The FY25 HEPS growth target is, however, based on financial targets derived from the group's five-year strategic plan, which incorporates the impact of recent major capital investments and restructuring activities. The FY25 HEPS growth target will therefore be retrospectively reported in our FY25 remuneration implementation report to avoid the publication of an earnings or profit forecast, in contravention of the JSE Listings Requirements and/or applicable regulations. Performance against the target and any incentives potentially earned will also be reported in our FY25 remuneration implementation report.
- The cash flow conversion measurement criteria and target remain unchanged.
- The FY24 remuneration policy included a net debt to EBITDA target to ensure that the company remained within its budgeted debt covenants during FY24, in the context of high interest rates, the completion of major capital projects, elevated debt levels and the uncertain macroeconomic environment.
- As reflected in the FY24 results, this covenant risk has now been mitigated through the successful completion of these projects and the raising of a R3 billion revolving credit facility at more favourable interest rates and covenants. The FY25 remuneration policy has therefore been amended with the net debt to EBITDA target replaced by a rand value net debt reduction target. This target aims to improve the risk profile of KAP's balance sheet and better align management incentives with shareholder interests. This measurement criterion only relates to executive directors.
- Individual KPIs (none previously) were introduced for senior management instead of net debt reduction.
- The punitive criteria for not meeting the targeted B-BBEE score remains unchanged.

The committee has also introduced tiered vesting (threshold, on-target and stretch) for the HEPS growth target in the AIB scheme. This follows engagement with and feedback from shareholders in relation to HEPS targets.

REMUNERATION POLICY (continued)

The FY25 performance metrics for executive directors and senior management of corporate services will therefore be based on targets for HEPS growth, cash flow conversion and net debt reduction and/or the achievement of individual KPIs, as summarised below:

Measurement criteria	Target	Executive director proportion	Executives/senior management proportion
HEPS growth*	≥ 95% of target (threshold)	20%	15%
	= 100% of target (on-target)	20%	15%
	≥ 105% of target (stretch)	20%	15%
Cash flow conversion	> 90%	20%	20%
Net debt reduction	R1 billion	20%	–
Individual KPIs	Specific to the individual/function	–	35%
Punitive measurement			
Non-achievement of the B-BBEE score^	Target	(10%)	(10%)

Note: The maximum participation levels for executive directors are at 150% of CTC and for corporate executives and senior management between 25% and 75% of CTC.
* The FY25 HEPS growth target will be retrospectively disclosed in our FY25 remuneration implementation report.
^ The non-achievement of the B-BBEE score relative to target is applied as a 10% penalty.

b) Divisional AIB framework

Our divisions each have a five-year strategic plan which aligns with the group five-year strategic plan. The committee made the following changes to the FY25 AIB scheme for the divisions, which is based on their performance, independent of the performance of the group, to ensure the achievement of divisional strategic and financial initiatives:

- Real operating profit growth exceeding GDP growth + CPI, as incorporated in previous remuneration policies, remains a key deliverable over the long term. The FY25 operating profit growth targets are based on financial targets derived from the divisions' five-year strategic plans, which incorporate the impact of recent major capital investments and restructuring activities.
- The cash flow conversion measurement criteria and target remain unchanged.
- Key operational initiatives which are based on divisional strategies, with specific deliverables and targets, have been included as measurement criteria to drive divisional performance. These hold benefit for the current and future years. Divisional strategic initiatives are specific to each division and are weighted according to the level of impact.
- The punitive criteria for not meeting the targeted B-BBEE score remain unchanged.

The committee has also introduced tiered vesting (threshold, on-target and stretch) for the operating profit measurement criteria in the AIB scheme.

The FY25 performance metrics for divisional executives will therefore be based on targets for operating profit and cash flow conversion, and the implementation of key operational initiatives, as summarised below:

Measurement criteria	Target	Proportion
Operating profit	≥ 95% of target (threshold)	Division specific; ranges from 30% to 100%
	= 100% of target (on-target)	
	≥ 105% of target (stretch)	
Cash flow conversion	≥ 90% (Unitrans ≥ 95%)	20% (except for Optix, which is at 10%)
Operational initiatives*	Division specific, measured relative to target	Division specific; ranges from 20% to 60%
Punitive measurement		
Non-achievement of B-BBEE score^	Target	(10%)

Note: The maximum participation levels for divisional CEOs are at 150% of CTC, COO/CFO at 100% of CTC and other divisional executives between 50% and 75% of CTC.
* Division-specific operational initiatives include targets in relation to sales volume, cost reduction, organisational design and restructuring, operational uptime and asset utilisation.
^ The non-achievement of the B-BBEE score relative to target is applied as a 10% penalty.

At operational level, to the extent necessary, each division has incentive schemes applicable to middle and junior management, which are aimed at achieving project, production, sales and similar operational targets.

Long-term incentive schemes

LTIs are awarded through the shareholder-approved SRS to promote the sustainable performance of the group through business and investment cycles, aligning performance of key management with the business strategy and stakeholder interests.

In terms of the rules of the SRS, share rights are awarded to participants and vest in terms of board-approved measurement criteria. Participation in the SRS is determined by the committee on an annual basis in respect of the rules of the scheme and applies to individuals who are key to determining and implementing the long-term vision and strategy of the group.

a) Corporate services SRS framework

The committee made the following changes to the measurement criteria for the future vesting of the December 2024 ('FY25 SRS') awards to Corporate services to ensure alignment between the SRS, achievement of the group's five-year strategic plan and shareholder interests:

- HEPS growth exceeding GDP growth + CPI, as incorporated in previous remuneration policies, remains a key deliverable over the long term. However, a more ambitious HEPS growth target, based on the group's five-year strategic plan, has been set for the FY25 SRS award to incorporate the impact of recent major capital investments, restructuring activities and growth initiatives. This strategic five-year plan is updated each year and therefore each successive update will form the basis of that successive year's SRS HEPS growth targets. The committee has also introduced tiered vesting (threshold, on-target and stretch) for the SRS HEPS growth target, following engagement with and feedback from shareholders. The SRS HEPS growth targets are management targets used for remuneration purposes and do not represent an earnings or profit forecast.
- The committee replaced the previous ROE > WACC target with a ROCE target that is aligned with the group's strategic five-year plan and considers the impact of recent capital investments and restructuring activities. The ROCE target is intended to incentivise executive directors to focus on initiatives that will extract value from recent investments and improve capital allocation. The incorporation of this target is in line with the outcomes of the committee's engagement with shareholders.
- The financial performance criteria were previously measured on a cumulative basis over a three-year period. This has been amended, whereby the FY27 targets as incorporated in the five-year strategic plan, will be used as the measurement targets for the vesting of the FY25 SRS awards in December 2027.
- The committee introduced a net debt to EBITDA target for the FY25 SRS awards to incentivise executive directors to implement strategic initiatives that will improve the capital structure of the company over the long term.

The FY25 SRS performance metrics for executive directors and senior management of corporate services will therefore be based on targets for HEPS, ROCE and net debt to EBITDA, and the delivery of individual KPIs, as summarised below:

Measurement criteria	Targets for FY27	Proportion
HEPS	Threshold – 25% CAGR relative to FY24	8.33%
	On-target – 30% CAGR relative to FY24	8.33%
	Stretch – 35% CAGR relative to FY24	8.33%
ROCE	≥ 14%	25%
Net debt/EBIDTA	< 2 times	25%
Achievement of individual KPIs*	Specific to the individual/function	25%

* Individual KPIs align with the group's strategic initiatives and are designed to reward sustained executive performance and the achievement of long-term goals. The maximum participation levels for the KAP CEO and CFO are at 167% of CTC, the KAP corporate affairs director is at 133% of CTC and corporate executives and senior management between 33% and 67% of CTC.

It should be noted that:

- In relation to the FY25 SRS, which will be measured for vesting in December 2027, HEPS growth will be determined using actual 'adjusted FY24 HEPS' of 36.7 cps for the base year.
- The ROCE target is below the guided long-term target of > 16% in December 2027 due to the impact of major capital investments and the time required to bring the facilities up to full capacity.

REMUNERATION POLICY (continued)

b) Divisional SRS framework

To align the SRS to the achievement of the group's five-year strategic plan and shareholder interests, the committee made the following changes to the measurement criteria for the vesting of FY25 SRS awards to divisions:

- Real operating profit growth, exceeding GDP growth +CPI, as incorporated in previous remuneration policies, remains a key deliverable over the long term. However, a more ambitious operating profit growth target, based on the divisional five-year strategic plans, has been set for the FY25 SRS awards to incorporate the impact of recent major capital investments, restructuring activities and growth initiatives, and the specific dynamics of each division. The strategic five-year plan is updated annually and therefore each successive update will form the basis of that successive year's SRS operating profit growth targets.
- The committee replaced the previous ROCE > WACC + 30% target with a ROCE target that is aligned with the strategic five-year plan and considers the impact of recent capital investments and restructuring activities as well as the specific dynamics of each division. The ROCE target is intended to incentivise management to focus on initiatives that will extract value from recent investments and improve capital allocation. The incorporation of this target is also in line with the outcomes of the committee's engagement with shareholders.
- The financial performance criteria were previously measured on a cumulative basis over a three-year period. This has been amended, whereby the FY27 targets as incorporated in the five-year strategic plan, will be used for the measurement targets of the FY25 SRS awards in December 2027.

The FY25 SRS performance metrics for divisional executives will therefore be based on targets for operating profit and ROCE and the delivery of individual KPIs, as summarised below:

Measurement	Targets for FY27	Proportion
Operating profit	FY27 target at the time of the award	37.5%
ROCE	FY27 target at the time of the award	37.5%
Achievement of individual KPIs	Specific to the individual/function	25%

Note: The maximum participation levels for the divisional CEOs are 133% of CTC, divisional executives are between 50% and 67% of CTC, and senior management between 33% and 50% of CTC.

Polymer index

In terms of both the AIB and SRS, the inclusion of a polymer index in the measurement criteria was intended to protect shareholders from excessive management incentives during a polymer upcycle and to protect management from forfeiting incentives in a polymer downcycle. However, this proved to be ineffective over the two prior years due to a favourable contract renegotiation and adjustments to management targets. While a polymer index will continue to form part of the committee's considerations, it will apply discretion to the extent necessary to ensure an alignment of incentives with shareholder interests in the event of extreme index volatility.

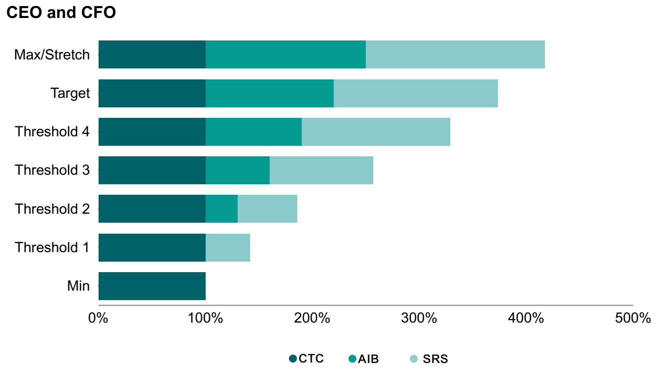
Executive operational management retention

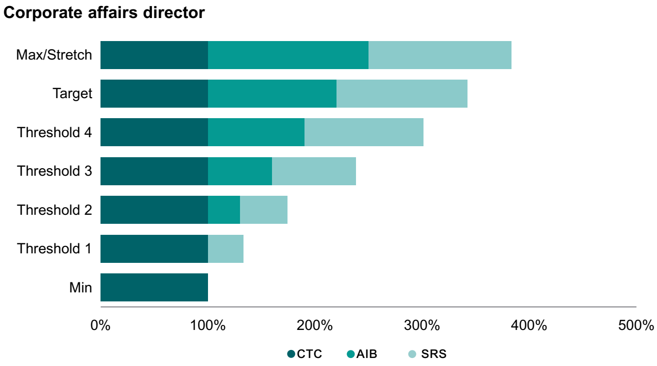
KAP is dependent on the retention of key operational management for the execution of our strategy and the efficient running of our operations. In view of the escalating risk of loss of key skills in South Africa, we issued, on a one-off basis effective 1 November 2022, 34 million cash-settled notional share appreciation rights to certain members of operational executive management, who will be instrumental in delivering on our strategy. This is a pure retention scheme and the value of these notional share appreciation rights will vest on 31 October 2026, 31 October 2027 and 31 October 2028, provided these individuals are in the employ of the company with a clean disciplinary record. Allocation percentages range from 75% to 200% of CTC for these individuals, depending on seniority and level of influence.

This is not a share scheme as defined in the JSE Listings Requirements or Companies Act and does not apply to the executive directors, i.e. CEO, CFO and corporate affairs director.

Single-figure remuneration relative to tiered threshold, target and stretch remuneration mix

The AIB scheme and the SRS have various measurement criteria, the vesting of which may occur independently of one another. As a result, several possible vesting scenarios exist. The graphs and table below illustrate the total potential remuneration under different potential performance scenarios for executive directors, based on their participation levels in terms of the policy:





Graph notes

Performance level	Description
Minimum	Guaranteed salary only
Scenario 1	KPI achievement for SRS
Scenario 2	KPI and threshold HEPS achievement for SRS Threshold HEPS achievement for AIB
Scenario 3	KPI, threshold HEPS and target net debt to EBITDA achievement for SRS Threshold HEPS and target cash flow conversion achievement for AIB
Scenario 4	KPI, threshold HEPS, target net debt to EBITDA and ROCE achievement for SRS Threshold HEPS, target cash flow conversion and net debt reduction achievement for AIB
On Target HEPS	KPI, target HEPS, net debt to EBITDA and ROCE achievement for SRS Target HEPS, cash flow conversion and net debt reduction achievement for AIB
Max/Stretch HEPS	KPI, stretch HEPS, target net debt to EBITDA and ROCE achievement for SRS Stretch HEPS, target cash flow conversion and net debt reduction achievement for AIB

REMUNERATION POLICY (continued)

Minimum shareholding requirements

In order to promote the long-term alignment of executives with the vision and strategy of the company and the interests of shareholders, executives who participate in the SRS will be required to maintain a minimum shareholding of KAP shares as a condition of participation in the scheme. Participants will be required to retain any shares that vest in terms of the KPI measurement criteria of the scheme until such time as the following minimum shareholdings are met:

- KAP CEO: three times annual CTC
- KAP CFO and divisional CEOs: twice annual CTC
- Other executives: annual CTC

Statement of fair and responsible remuneration

The committee must satisfy itself that the remuneration of executive directors, executives and senior management takes appropriate account of the remuneration and employment conditions of other employees within the group. When salary increases are considered, the committee considers a report from management detailing pay practices across the group, including salary levels and trends, collective bargaining outcomes, and the approach management proposes to adopt for general employee increases. This information is considered in the committee's decisions regarding the remuneration of executive directors, executives and senior management to ensure that the remuneration of executive management is fair and responsible within the context of overall employee remuneration.

Malus and clawback

To the extent that the measurement criteria of either the AIB scheme or SRS are achieved because of intentional fraud, misstatement, misrepresentation or non-compliance with relevant legislation by any participant of these schemes, the effect of this fraud, misstatement, misrepresentation or non-compliance will be reversed in the consideration of whether the relevant qualifying criteria have been achieved. In addition, any participant directly involved in the fraud, misstatement, misrepresentation or non-compliance will not qualify for an incentive. The company will pursue legal action for the recovery of any incentives paid because of intentional fraud, misstatement, misrepresentation or non-compliance with relevant legislation by any participant of these schemes. In addition, the company will pursue disciplinary action.

Service contracts

Executives' contracts are subject to terms and conditions of employment as governed by the South African Labour Relations Act, No. 66 of 1995, as amended. The contracts of the executive directors, executives and senior management do not contain termination packages or excessive notice periods. In view of the scarcity of executive skills in South Africa, and to make provision for an orderly handover to successors, the CEO and CFO's notice periods are six calendar months, while the rest of the Exco's notice periods are three calendar months. Payments on termination of employment, sign-on, retention or restraint payments, commissions and allowances are limited to contractual, legal and/or negotiated obligations. Any deviations from this policy in relation to senior executives require appropriate motivation and the specific approval of the committee.

Non-executive director fee policy

The NEDs receive fees for services rendered to the company. NEDs' fees are reviewed annually, considering inflation and market benchmarks based on research into trends in NED remuneration among companies of a similar size and complexity. The fee proposals endorsed by the board are presented at the AGM for shareholder approval, by special resolution, prior to payment for the following year. Fees are not linked to the company's share price performance or our results. NEDs cannot participate in and therefore do not qualify for shares in terms of the SRS and do not hold share rights under this scheme.

Regulatory compliance

In line with the recommendations of King IV™, in addition to the statutory requirement to obtain shareholder approval for the payment of fees to the NEDs, the remuneration policy and implementation report will be tabled each year for separate non-binding advisory votes by shareholders at the AGM. In the event that shareholders vote against either the remuneration policy or the remuneration implementation report by 25% or more of the total voting rights exercised at the AGM, the committee will issue an invitation to dissenting shareholders to engage with them in order to address legitimate and reasonable concerns.

ANNEXURE D
IMPLEMENTATION AND REMUNERATION DISCLOSURE FOR 2024

Introduction

Our remuneration implementation report provides details on how we implemented our FY24 remuneration policy, relative to our performance in FY24. The FY24 remuneration policy received more than 75% shareholder support during the November 2023 AGM.

The committee applied our remuneration policy without deviation. This remuneration implementation report will be put to a non-binding advisory vote by shareholders at our AGM on 29 November 2024.

Disclosure amendment

The FY23 remuneration implementation report, published in our 2023 integrated report, reflected AIBs and LTIs paid during FY23, which actually related to the performance for FY22. This created a misalignment since amounts earned by executives in FY22, paid in FY23, are reported in the context of the FY23 results as reflected in the integrated report.

The disclosures of remuneration (guaranteed salary, AIBs and LTIs) in this report have been amended to reflect amounts *earned* by executives during FY24 in relation to the group's FY24 performance. The equivalent guaranteed salary was also paid during FY24. However, since the equivalent AIB and LTI amounts are only determined after finalisation of the AFS, these amounts are fully provided for in FY24 but will only be paid during FY25.

Since this is a change in disclosure, comparatives of remuneration *earned* by executives during FY23 in relation to the group's FY23 performance, are also disclosed. The equivalent guaranteed salary was also paid during FY23. However, since the equivalent AIB and LTI amounts are only determined after finalisation of the AFS, these amounts were provided for in FY23 and paid during FY24.

The context for our remuneration outcomes in FY24

The South African operating environment was challenging during FY24, despite the easing of electricity loadshedding in the second half of the financial year. Infrastructure disruptions, not related to loadshedding, continued to challenge businesses. Generally, economic activity was subdued, exacerbated by political uncertainty ahead of the May 2024 elections and pressure on consumer disposable income, which persisted due to elevated interest rates and inflation.

KAP was resilient in this environment, with five of our six divisions delivering an improved performance compared with the prior year. However, this was offset by a weaker result from Safripol, which was affected by a cyclical low in the global polymers industry. Overall, the group's performance was supported by market share gains, cost savings, and the benefits realised from various restructuring initiatives, particularly at Unitrans.

The group completed and commissioned certain multiyear capital projects during the second half of the financial year, which amounted to c. R2.5 billion. This is a major milestone in the execution of the group's strategy, as it provides a foundation for future earnings growth and cash generation.

Group revenue declined by 2% to R29.1 billion. EBITDA decreased by 8% to R3.7 billion, while operating profit before capital items decreased by 11% to R2.3 billion, with the decline attributable to Safripol. HEPS declined by 4% to 45.3 cents, mainly due to the decline in operating profit before capital items and a 4% increase in net finance costs, caused primarily by higher interest rates. HEPS was supported by a lower effective taxation rate of 15.0% (FY23: 37.0%) related to investment incentives associated with the PG Bison Mkhondo MDF project.

Cash flow from operations decreased by 10%, largely due to the lower EBITDA. Net interest-bearing debt only increased by 4% to R8.3 billion despite the significant capital investments made during the year. The net debt to EBITDA ratio increased from 2.0 times to 2.3 times, which was below our covenant of 3.0 times at 30 June 2024. The group raised a R3 billion revolving credit facility to refinance maturing facilities. This facility also provides more favourable interest rates and financial covenants, which are described in the financial review.

Salient features of the group's performance are discussed in the CFO's review on page 43 of the integrated report, with further detail provided in the FY24 AFS, available on our website.

Guaranteed salary

Guaranteed salary or CTC increases for FY24 were awarded across the group with reference to inflation, except where there were changes in responsibilities and roles that warranted higher or lower adjustments. We awarded a general inflation-linked increase of 6%, with effect from 1 July 2024 to employees who fall outside a collective bargaining unit. Increases for bargaining unit employees were implemented in line with the collective agreements of relevant bargaining unit structures.

Our FY22 implementation report received less than 75% support from shareholders at our November 2022 AGM. In line with King IV™ requirements, the board invited dissenting shareholders to share their concerns with the company. One shareholder submitted concerns. Following engagement with this dissenting shareholder during FY23, it was noted that one of their concerns related to the guaranteed salary level of the CEO and CFO. While grading and remuneration benchmarking is performed every two years in terms of the remuneration policy, in response to this concern the committee commissioned an extensive grading and benchmarking analysis on the remuneration of the executive directors utilising the services of three independent parties: Remchannel, PwC and Emergence. While these studies reflected that the executive directors guaranteed salaries were not out of line with market benchmarks for companies of similar size and complexity, the committee resolved not to award our CEO and CFO an inflationary salary increase for FY24.

The guaranteed salary of executive directors, earned during the year, is reflected as follows:

Executive directors	Guaranteed salary earned 2024 R	2023 R	Increase in guaranteed salary earned %
GN Chaplin	**10 907 000**	10 907 000	–
FH Olivier	**6 890 000**	6 890 000	–
SP Lunga	**4 804 000**	4 664 000	3
Total	**22 601 000**	22 461 000	

Note: The corporate affairs director (SP Lunga) was awarded a 6% salary increase with effect from 1 January 2024. The amounts reflected above relate to guaranteed salary earned during the year. In FY23, SP Lunga received an additional amount of R233 333 comprising backpay in relation to FY22 and is therefore excluded from the amount earned during FY23.

The total guaranteed salary of other Exco members, which was earned during the year, is reflected as follows:

	Guaranteed salary earned 2024 R	2023 R	Decrease in guaranteed salary earned %
Other executive committee members	**46 956 750**	50 287 250	(7)

The total guaranteed salary of other Exco members is lower than the prior year due to the resignation of TB Mlilo and the consolidation of the three Unitrans divisions into a single division, which reduced the Exco membership from 16 to 12 members during the year. The average annual guaranteed salary increase awarded to other Exco members in FY24 was 4%.

Annual incentive bonus

a) Measurement criteria applicable to the FY24 AIB scheme

Measurement criteria are designed to motivate executives and senior management to achieve the group's strategic and financial priorities. The FY24 remuneration policy, which includes the measurement criteria set for FY24, received more than 75% shareholder support at the November 2023 AGM. The table below sets out the measurement criteria and targets applicable to the FY24 AIB scheme for executives and our performance against these:

Measurement	Proportion	Base adjusted target	Achievement	Target achieved	Proportion achieved
Core HEPS* growth > GDP^ growth + CPI#	**15%**	53.1 cps	45.3 cps	X	–
Core HEPS growth > GDP growth + CPI + 1%	**15%**	53.6 cps	45.3 cps	X	–
Core HEPS growth > GDP growth + CPI + 2%	**15%**	54.1 cps	45.3 cps	X	–
Core HEPS growth > GDP growth + CPI + 3%	**15%**	54.6 cps	45.3 cps	X	–
EBITDA cash flow conversion ≥ 90%	**20%**	90%	93%	✓	20%
Achievement of budget debt covenants:	**20%**				–
Net debt: EBITDA (times)		1.9	2.3	X	
EBITDA: interest cover (times)		4.1	3.7	X	
B-BBEE score against budget	**(10%)**	Level 4	Level 4	✓	–
	100%				**20%**

* The HEPS growth target was based on an 18% upward adjusted FY23 core HEPS of 50.3 cents per share compared to actual reported FY23 HEPS of 42.7 cents per share.
^ GDP growth = 0.2%
# CPI = 5.3%

Only 20% of the total FY24 AIB allocation vested in respect of executives based on the following:

- Growth in HEPS > GDP growth + CPI remains the foundation of performance targets for the group over time. The human capital and remuneration committee however adjusted the base year (FY23), used to calculate HEPS growth, by 18% to account for items which were considered to be abnormal and/or non-recurring. This significantly increased the performance hurdle for management incentives for FY24.

  In setting the FY24 HEPS growth target, the committee did not anticipate the significant weakness in polymer prices and margins which materially affected the group's FY24 results. The AIB scheme includes a polymer index intended to protect shareholders from excessive management incentives during a polymer upcycle and management from forfeiting incentives in a polymer downcycle. The index was ineffective due to the raw material supply contract renegotiation (applicable since FY21) and the upward adjustment of the HEPS base. It was therefore not applied during the year.

  Based on the group's actual FY24 core HEPS growth, the FY24 target was not met.
- The achievement of stretch debt covenant targets, which were more onerous than the actual debt covenants, were included as an AIB measurement criterion to ensure that the company remained within its debt covenants during the completion of major capital projects in the context of the challenging operating environment, high interest rates and elevated debt levels.

  The group remained within its actual debt covenants and raised a R3 billion revolving credit facility, at favourable interest rates and covenants, which significantly reduced covenant and refinancing risk for the group.

  The debt covenant targets were not met.
- The group exceeded the EBITDA cash flow conversion target by 300 bps.
- The group achieved the budgeted B-BBEE score.

The committee applied the rules of the scheme and obtained independent assurance from the company's independent internal auditors on the application of the rules and the relevant incentive calculations. On this basis the committee was satisfied that the awards were in accordance with the approved measurement criteria applied to the group's performance for FY24, as shown in the table above and approved the AIB awards on 10 October 2024. The committee did not exercise its discretion to make any adjustments to incentives awards to the executive directors.

b) Measurement criteria applicable to the FY23 AIB scheme

The table below sets out the measurement criteria and targets applicable to the FY23 AIB scheme for executives, and our performance against these:

Measurement	Proportion	Target	Actual results	Target achieved	Proportion achieved
Core HEPS* growth > GDP growth^ + CPI#	**15%**	67.4 cps	42.7 cps	X	–
Core HEPS growth > GDP growth + CPI + 1%	**15%**	68.0 cps	42.7 cps	X	–
Core HEPS growth > GDP growth + CPI + 2%	**15%**	68.7 cps	42.7 cps	X	–
Core HEPS growth > GDP growth + CPI + 3%	**15%**	69.3 cps	42.7 cps	X	–
EBITDA cash flow conversion ≥ 90%	**20%**	90%	97%	✓	20%
B-BBEE score against budget	**10%**	Level 4	Level 4	✓	10%
Internal audit and compliance	**10%**	Satisfactory	Satisfactory	✓	10%
	100%				**40%**

* Growth targets based on FY22 core HEPS of 62.7 cents per share compared to reported HEPS of 74.4 cents per share.
^ GDP growth = 0.4%
# CPI = 7.1%

Only 40% of the total FY23 AIB allocation vested in respect of executives based on the following:

- Based on the group's FY23 core HEPS growth, the FY23 target was not met.

  In setting the relevant FY23 HEPS growth target, the committee did not anticipate the significant weakness in polymer prices and margins which materially affected the group's FY23 results. The AIB scheme includes a polymer index intended to protect shareholders from excessive management incentives during a polymer upcycle and management from forfeiting incentives in a polymer downcycle. The index was ineffective due to the raw material supply contract renegotiation (applicable since FY21). It was therefore not applied during the year.
- The group exceeded the EBITDA cash flow conversion target.
- The budgeted B-BBEE and the internal audit and compliance scores were achieved.

The committee applied the rules of the scheme and obtained independent assurance from the company's independent internal auditors on the application of the rules and the relevant incentive calculations. On this basis the committee was satisfied that the awards were in accordance with the approved measurement criteria applied to the group's performance for FY23, as shown in the table above and approved the AIB awards on 16 November 2023. The committee did not exercise its discretion to make any adjustments to incentives awards to the executive directors.

The following table sets out the AIBs earned by executive directors and other Exco members in relation to the performance of the company and our divisions for FY24 and FY23 relative to the above-mentioned measurement criteria and targets:

	Bonus earned	
	2024 R	2023 R
Executive directors		
GN Chaplin	**3 272 100**	8 725 600
FH Olivier	**2 067 000**	5 512 000
SP Lunga	**1 483 200**	2 798 400
	6 822 300	17 036 000
Other executive committee members	**34 065 200**	30 560 850

With respect to AIBs earned by other Exco members, there were varying levels of achievement against the divisional measurement criteria, with some divisions not achieving the required targets and others achieving 100%.

Long-term incentives

LTIs awarded to executives in December 2021 ('FY22 SRS') were in accordance with the FY22 remuneration policy, which received more than 75% shareholder support at the November 2021 AGM. These awards will vest in December 2024 and relate to the cumulative three-year period from 1 July 2021 to 30 June 2024 (earned in FY24).

In terms of the comparative period, the LTIs awarded to executives in December 2020 ('FY21 SRS'), which vested in December 2023, related to the cumulative three-year period from 1 July 2020 to 30 June 2023 (earned in FY23).

The following measurement criteria were applicable in respect of FY21 SRS and FY22 SRS:

Measurement	Proportion
Core HEPS growth > GDP growth + CPI	**37.5%**
ROE > WACC	**37.5%**
Achievement of individual KPIs	**25%**
	100%

Vesting of FY22 LTIs

FY22 SRS awards will vest on 1 December 2024, based on the measurement criteria and targets set out above, after which shares will be issued to executives.
The vesting thereof is dependent on the continued employment of the participants until the vesting date or being deemed a good leaver.

The following table sets out the measurement criteria and targets applicable to the December 2024 vesting of the FY22 SRS awards and the group's performance against these:

December 2024 vesting related to the performance for FY22, FY23 and FY24

Measurement	Proportion	Cumulative measurement target	Results	Target achieved	Proportion achieved
Core HEPS growth > GDP growth + CPI	**37.5%**	161.8	149.9	X	–
ROE > WACC	**37.5%**	13.4%	11.1%	X	–
Achievement of individual KPIs	**25%**	Per individual	Per individual	✓	25%
	100%				**25%**

Core HEPS growth measurement: HEPS growth is measured over the cumulative three-year period from 1 July 2021 to 30 June 2024. Performance over this period was negatively impacted by the floods and civil unrest in KwaZulu-Natal, extensive electricity loadshedding, continued deterioration and inefficiency of state infrastructure, high inflation and elevated interest rates. While the polymer sector globally was very buoyant in FY22, it declined in FY23 and FY24 to the cyclical low experienced before the Covid-19 pandemic. General consumer demand was subdued over this period.

The HEPS growth target was not achieved, primarily due to the poor performances of Unitrans and Restonic.

ROE measurement: ROE is measured over the cumulative three-year period from 1 July 2021 to 30 June 2024. During this period, the group was engaged in several major, multiyear capital projects to entrench our market leadership position in select industries and support future growth. These projects, completed in 2H24, contributed to an increase in capital employed over this period without contributing yet to earnings.

The ROE target was not achieved, primarily due to the impact of the major capital projects and the poor performance of Unitrans and Restonic.

Individual KPIs: The group has a rolling five-year strategic plan, which incorporates strategic initiatives at both KAP and divisional level, with specific deliverables and targets.

We have developed an implementation framework, consisting of eight strategy implementation workstreams, to drive the implementation of the company's and divisional strategic initiatives by Exco members. These include: the KAP value realisation, organisational design, operational strategy, human capital strategy, resilience strategy, sustainability strategy, brand and communications strategy, and IT/digital strategy.

Individual KPIs in relation to the LTIs are based on the implementation of these workstreams, as summarised in the KPI assessment framework overleaf, and are designed to reward executive performance for the achievement of our long-term goals. Progress on the workstreams is monitored by the KAP board, our Exco and the divisional boards.

KPI assessment framework

KPI	Deliverable	Actual performance
KAP value realisation	Develop and implement strategic initiatives to create and sustain meaningful shareholder value over time	✓ Achieved
Organisational design	Implement an organisational design and select and grow key leadership to execute the strategy	✓ Achieved
Operational strategy	Develop and implement a framework to ensure that divisional operational strategies are embedded in the divisions and reviewed annually during the budget cycle	✓ Achieved
	Standardise executive KPIs and performance scorecards to execute the strategy	✓ Achieved
Human capital strategy	Develop and embed the KAP and divisional people value propositions across the group to optimise our human capital in order to best execute the strategy	✓ Achieved
Resilience strategy	Develop and implement strategic initiatives to ensure optimal continuation of operations to mitigate the risk of a deteriorating and inefficient state infrastructure, political and social instability and a decline in the rule of law	✓ Achieved
	Actively engage government and industry bodies to support a growth-oriented industrial policy framework, infrastructure development and industry competitiveness	✓ Achieved
Sustainability strategy	Develop a framework to measure and articulate KAP's sustainability approach and objectives and its integration with the KAP and divisional commercial strategies	✓ Achieved
IT/digital strategy	Establish a fit-for-purpose IT strategy to ensure that the group has optimal systems architecture, designs and applications to support the execution of the KAP and operational strategies	✓ Achieved
Brand and communications strategy	Create a clear, focused brand strategy that creates a meaningful connection between the KAP and operating brands	✓ Achieved
	Develop a communication strategy and messaging sequence to multiple stakeholder audiences	✓ Achieved

The committee reviewed the performance of the Exco members against the deliverables set out in the KPI assessment framework and approved the awards related to individual KPI performance metrics.

Vesting of FY21 LTIs

FY21 SRS awards vested on 1 December 2023, based on the measurement criteria set out in the FY21 remuneration policy, are reflected below for comparative purposes:

December 2023 vesting related to the performance for FY21, FY22 and FY23

Measurement	Proportion	Cumulative measurement target	Results	Target achieved	Proportion achieved
Core HEPS growth > GDP growth + CPI	**37.5%**	58.2	155.8	✓	37.5%
ROE > WACC	**37.5%**	13.0%	12.1%	X	–
Achievement of individual KPIs	**25%**	Per individual	Per individual	✓	25%
	100%				**62.5%**

Share rights summary

The following table reflects the number of share rights allocated in terms of the SRS, the number of rights forfeited due to non-achievement of measurement criteria targets, the number of rights exercisable, and the value thereof for FY24 and FY23. The rules of the SRS were applied without deviation.

Value of share rights exercisable	Number of rights allocated R	Number of rights forfeited R	Number of rights exercisable R	Value of rights exercisable R
2024[1]				
Executive directors				
GN Chaplin	**3 914 419**	**(2 935 814)**	**978 605**	**2 789 024**
FH Olivier	**2 472 665**	**(1 854 498)**	**618 167**	**1 761 776**
SP Lunga	**1 211 845**	**(908 883)**	**302 962**	**863 442**
	7 598 929	**(5 699 195)**	**1 899 734**	**5 414 242**
Other executive committee members	**5 895 183**	**(2 467 284)**	**3 427 899**	**9 769 512**
2023[2]				
Executive directors				
GN Chaplin	5 137 051	(1 926 394)	3 210 657	7 801 897
FH Olivier	3 123 882	(1 171 455)	1 952 427	4 744 398
SP Lunga	1 669 020	(625 882)	1 043 138	2 534 825
	9 929 953	(3 723 731)	6 206 222	15 081 120
Other executive committee members	10 327 821	(3 407 698)	6 920 123	16 815 899

[1] The share price at 30 June 2024 of R2.85 is used as indication of the value on 1 December 2024.
[2] The market price of share rights exercised was R2.43 on 1 December 2023.

The following table reflects the outstanding share rights of our executive directors at 30 June 2024, which have been allocated in terms of the rules of the SRS:

Executive directors	Offer date	Vesting date	Number of rights awarded	Number of rights lapsed/ forfeited	Number of rights as at 30 June 2024	Market value of rights at grant date R	Market value of rights on vesting R	Market value of rights at 30 June 2024 R
GN Chaplin	Dec-21	Dec-24	3 914 419	(2 935 814)	**978 605**	16 557 992	–	**2 789 024**
	Dec-22	Dec-25	4 020 903	(3 015 677)	**1 005 226**	17 289 883	–	**2 864 894**
	Dec-23	Dec-26	7 087 428	–	**7 087 428**	18 710 810	–	**20 199 170**
			20 159 801	(7 877 885)	**9 071 259**	67 712 985	7 801 897	**25 853 088**
FH Olivier	Dec-21	Dec-24	2 472 665	(1 854 498)	**618 167**	10 459 373	–	**1 761 776**
	Dec-22	Dec-25	2 540 022	(1 905 016)	**635 006**	10 922 095	–	**1 809 767**
	Dec-23	Dec-26	4 477 160	–	**4 477 160**	11 819 702	–	**12 759 906**
			12 613 729	(4 930 969)	**5 730 333**	42 416 622	4 744 398	**16 331 449**
SP Lunga	Dec-21	Dec-24	1 211 845	(908 883)	**302 962**	5 126 104	–	**863 442**
	Dec-22	Dec-25	1 369 342	(1 027 006)	**342 336**	5 888 171	–	**975 658**
	Dec-23	Dec-26	2 413 665	–	**2 413 665**	6 372 076	–	**6 878 945**
			6 663 872	(2 561 771)	**3 058 963**	22 309 960	2 534 825	**8 718 045**
			39 437 402	(15 370 625)	**17 860 555**	132 439 567	15 081 120	**50 902 582**

Note: The SRS values relating to 2024 remuneration are based on the share price as at 30 June 2024.

Disclosure of single-figure remuneration

Our executive directors earned the following single-figure remuneration during FY24 and FY23 respectively:

	2024		2023	
	R	%	R	%
GN Chaplin	16 968 124	100%	27 434 497	100%
CTC	10 907 000	65%	10 907 000	40%
AIB	3 272 100	19%	8 725 600	32%
SRS	2 789 024	16%	7 801 897	28%
FH Olivier	10 718 776	100%	17 146 398	100%
CTC	6 890 000	65%	6 890 000	40%
AIB	2 067 000	19%	5 512 000	32%
SRS	1 761 776	16%	4 744 398	28%
SP Lunga	7 150 642	100%	9 997 225	100%
CTC	4 804 000	67%	4 664 000	47%
AIB	1 483 200	21%	2 798 400	28%
SRS	863 442	12%	2 534 825	25%

Our executive directors' single-figure remuneration represents the following percentages of total possible remuneration:

CEO and CFO

FY24	CTC	AIB	SRS	Total
Possible maximum remuneration	100%	150%	167%	417%
Earned	100%	30%	42%	172%

FY23	CTC	AIB	SRS	Total
Possible maximum remuneration	100%	200%	167%	467%
Earned	100%	80%	105%	285%

Corporate affairs director

FY24	CTC	AIB	SRS	Total
Possible maximum remuneration	100%	150%	133%	383%
Earned	100%	30%	33%	163%

FY23	CTC	AIB	SRS	Total
Possible maximum remuneration	100%	150%	133%	383%
Earned	100%	60%	83%	243%

Non-executive directors' fees paid for the period under review

The remuneration of the NEDs is not linked to the company's share price, its share performance or its results. NEDs do not receive incentive payments and are not participants in the KAP Performance Share Rights Scheme and therefore do not hold share rights under this scheme.

NEDs' fees are reviewed and adjusted annually, based on inflation, as well as market benchmarks following independent research every second year into trends in NED remuneration among companies of a similar size and complexity. From the 2022 benchmarking exercise conducted by an independent external remuneration expert, indications were that the majority of South African listed companies make use of an annual fixed-fee structure to compensate their NEDs. In light of this and the fact that the number of scheduled committee meetings had increased due to an increased volume of work, the committee recommended that the fee structure for NEDs be changed from a per meeting fee structure to a fixed-fee structure from 22 November 2023 onwards, to align with industry norms.

The proposed fees for the NEDs were approved at the 2023 AGM with the required majority of more than 75% of the eligible votes cast.

In terms of this fee structure, NEDs henceforth received a fixed all-encompassing fee for both board and board committee membership. Besides the investment committee members, who continued to receive fees on a per meeting attendance basis due to the nature of the committee's unpredictable meeting requirements, no other meeting attendance fees were paid to the NEDs, irrespective of the number of additional ad hoc meetings such directors may have attended during the year.

The following fees were therefore paid to NEDs in line with the fee structure approved at our AGM held on 21 November 2023:

Non-executive directors fees (excluding VAT)	2024 R	2023 R
J de V du Toit[1]	–	187 678
TC Esau-Isaacs	996 757	1 067 700
Z Fuphe	1 200 278	1 153 148
KJ Grové[2]	360 830	948 776
JA Holtzhausen[3]	949 499	383 159
KT Hopkins	1 217 296	1 205 134
SN Maseko[4]	251 554	–
V McMenamin	520 365	765 258
AFB Mthembu[5]	369 751	–
SH Müller	1 246 678	1 289 273
PK Quarmby	1 493 481	1 323 447
	8 606 489	8 323 573

[1] Resigned effective 22 November 2022.
[2] Resigned effective 21 November 2023.
[3] Appointed effective 1 March 2023.
[4] Appointed effective 15 March 2024.
[5] Appointed effective 15 January 2024.

Updated, forward-looking proposed NEDs' fees will be presented for shareholder approval at our AGM on 29 November 2024.

Benchmarking of remuneration

The committee engaged PwC to conduct an independent benchmarking study to assess whether the NEDs' fee structure and levels were still appropriate prior to the presentation of the 2024 NEDs' fee proposal to the board for onward presentation to shareholders for approval.

There was no requirement to perform a grading and benchmarking analysis on the remuneration of the executive directors in relation to FY24. In terms of the two-year cycle specified in our remuneration policy, the group will perform a grading and benchmarking review of remuneration of the executive directors during FY25.

Malus and clawback

There was no requirement to invoke the malus and clawback requirements of the remuneration policy during the year.

Minimum shareholding requirements

All relevant employees complied with the minimum shareholding requirements of the remuneration policy.

Service contracts

No service contracts were entered into during the year with specified termination packages or excessive notice periods.

Statement of fair and responsible remuneration

The committee is satisfied that the remuneration of executive directors and other senior executives takes appropriate account of remuneration and employment conditions of other employees in the group, and that the remuneration policy is fair and responsible in the context of overall employee remuneration.

The committee believes that the remuneration policy is fit for purpose and achieves the high-level objectives of attraction, retention and performance motivation of our executives, managers and employees across all levels of the group. The committee further believes that, in the context of a very challenging macroeconomic and sociopolitical environment, the remuneration matters have been managed appropriately and responsibly.

ANNEXURE E
MAJOR SHAREHOLDERS OF THE COMPANY AS AT 30 JUNE 2024

Disclosure of beneficial interest of major shareholders

	2024			
	Number of shareholders	% of shareholders	Number of shares	% of shares
Shareholder spread				
1 – 1 000 shares	6 284	61.75	790 415	0.03
1 001 – 10 000 shares	1 940	19.06	8 603 437	0.35
10 001 – 100 000 shares	1 200	11.80	43 064 182	1.73
100 001 – 1 000 000 shares	492	4.83	161 114 346	6.46
1 000 001 – 10 000 000 shares	222	2.18	628 169 715	25.19
10 000 001 shares and over	39	0.38	1 651 974 712	66.24
	10 177	100.00	2 493 716 807	100.00
Resident/non-resident split				
Resident	9 981	98.07	2 126 020 257	85.26
Non-resident	196	1.93	367 696 550	14.74
	10 177	100.00	2 493 716 807	100.00
Public/non-public shareholdings				
Public	10 160	99.83	2 478 772 347	99.40
Non-public	17	0.17	14 944 460	0.60
Directors and their associates	9	0.09	9 969 243	0.40
Directors of major subsidiaries and their associates	8	0.08	4 975 217	0.20
	10 177	100.00	2 493 716 807	100.00

	2024	
	Number of shares	% of shares
Beneficial shareholdings greater than 5%		
Government Employees Pension Fund	498 118 380	19.97
Allan Gray	408 195 265	16.37

ANNEXURE F
SUMMARY OF THE AMENDMENTS TO THE MOI

Refer to agenda point 11 – special resolution number 4

Memorandum of amendments made to the Existing Memorandum of Incorporation in the Proposed New Memorandum of Incorporation

The Proposed New Memorandum of Incorporation amends the Existing Memorandum of Incorporation as follows, namely by –

1. **general (clause 1 and generally)**
   1.1 deleting the definitions of "Commission" and "Sub-register" as the terms are not used;

   1.2 correcting typographical errors;

2. **Financial Markets Act (clause 1 and generally)**
   the replacement of the references to the Securities Services Act, 2004 to references to the Financial Markets Act, 2012, as the latter statute replaced the former in its entirety;

3. **juristic personality (clause 2)**
   the insertion of references to the JSE Listings Requirements to clarify that the Company is governed by the JSE Listings Requirements;

4. **issue of shares and variation of rights (clause 6)**
   4.1 clarifying that proportionality as between ordinary shareholders applies in respect of distributions and net assets on liquidation as between ordinary shareholders

   4.2 deletion of the requirement that an issue of shares is subject to the requirements of section 41(3) of the Companies Act, as the provision is merely a restatement of the Companies Act provision;

5. **securities register (clause 8)**
   deletion of the information to be entered in the securities register and what must be stated on a certificate in respect of certificated securities, as the provision is merely a restatement of the Companies Act provision;

6. **status of the company and no lien (clause 10)**
   6.1 clarifying that securities issued by the Company must be fully paid up and freely transferable, to fully comply with the JSE Listings Requirements

   6.2 clarifying that securities may be offered to the public and that the Company is a public company;

7. **share warrants (old clause 12)**
   deletion of the clause relating to share warrants as the concept originated from the Companies Act, 1973, which was replaced by the present Companies Act;

8. **financial assistance (old clause 16)**
   deletion of the provisions regarding the authority to provide financial assistance under section 44 of the Companies Act, as the provision is merely a restatement of the Companies Act provision;

9. **annual general meetings (clause 17.2)**
   clarifying that the appointment of any committee required to be appointed at an annual general meeting, will form part of the minimum business;

10. **voting rights of shares, other than ordinary shares (clause 19.2)**
    10.1 replacing the provisions regarding "Affected Shareholders" with a new provision which is in line with the JSE Listings Requirements, the new provision reading as follows –

"19.2 The holders of Securities, other than ordinary Shares and any special Shares created for the purposes of black economic empowerment in terms of the Broad-Based Black Economic Empowerment Act, No. 53 of 2003 and the Codes of Good Practice on Black Economic Empowerment, shall not be entitled to vote on any resolution taken by the Company, save –

19.2.1 in the circumstances contemplated in clause 6.5;

19.2.2 during any period during which any dividend, any part of any dividend on special or preference Shares or any redemption payment thereon remain in arrears and unpaid; and/or

19.2.3 in regard to any resolution proposed for the winding-up or liquidation of the Company or the reduction of its capital,

and in instances that such Shareholders are permitted to vote at a general meeting or annual general meeting, their votes may not carry any special rights or privileges and they shall be entitled to 1 (one) vote for each Share that they hold, provided that their total voting right at such a general meeting or annual general meeting may not exceed 24.99% of the total voting rights of all Shareholders at such meeting.";

11. **proxies (old clause 23.5)**
deleting the prescribed form of the instrument of proxy to allow for broader discretion on the wording of proxy instruments;

12. **shareholders acting other than at a meeting (clause 22)**
clarifying that resolutions as permitted by the JSE Listings Requirements, may be passed by shareholders in writing;

13. **number of directors (clause 23)**
    13.1 clarifying that the board has the authority to fill a vacancy on the board or to add an additional member to the board;

    13.2 deleting the provision that a director who has reached the age of 71 years must retire annually at every annual general meeting;

    13.3 deleting the provision that if, at any meeting at which an election of directors ought to take place, the offices of the retiring directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and if at such adjourned meeting the vacancies are not filled, the retiring directors, or such of them as have not had their offices filled, shall be deemed to have been re-elected at such adjourned meeting;

14. **alternate directors (clause 25.6)**
deleting the provisions that directors may appoint their own alternate directors, with the position in the Companies Act prevailing, namely that at least 50% of alternate directors must be voted on by shareholders;

15. **directors' meetings (clause 24)**
clarifying that a majority of directors who are legally permitted to vote on a resolution must be present for quorum purposes and that the resolution will require a majority of the votes legally entitled to be cast, given the requirements of section 75 of the Companies Act;

16. **company secretary (clause 31)**
simplifying the provisions regarding the company secretary as it is a repetition of the provision of the Companies Act;

17. **access to information (clause 35)**
amending the information to which a person who is not a shareholder or beneficial holder of shares is entitled to have access and make copies, to refer more broadly to the Companies Act given the amendments in the Companies Amendment Act, 2024;

18. **adoption**
deleting the provision recording the date of adoption of the Existing Memorandum of Incorporation;

19. **terms of the cumulative, non-redeemable, non-participating preference shares in schedule 1a**
inserting the reference that no shares may be created or issued which will rank pari passu with the shares, without consent or sanctioning by the required majority of holders of the shares, to bring the provision in line with the JSE Listings Requirements.

FORM OF PROXY

KAP Limited

Registration number: 1978/000181/06) | JSE share code: KAP | ISIN: ZAE000171963 | LEI code: 3789001F51BC0045FD42

('KAP' or 'the company')

For use at the 46th annual general meeting ('AGM') of the shareholders of KAP to be held at 15:00 on Friday, 29 November 2024, at the KAP offices in Unit G7, Stellenpark Business Park, Cnr R44 and School Road, Jamestown, Stellenbosch, and at any adjournment thereof.

Only shareholders who hold shares in certificated form and shareholders who have dematerialised their shares but hold them in 'own-name registration' must complete this Form of Proxy.

Other shareholders who wish to attend and vote at the AGM, should obtain written authority (letter of representation) from their CSDP/broker to attend and vote at the AGM, or if unable to attend the AGM, and wish for their votes to be recorded, should furnish their voting instructions to their CSDP/broker.

I/We ____ (full name(s) in block letters)

of ____ (address)

being the registered holder(s) of ____ ordinary shares, hereby appoint:

1. ____ or failing him/her

2. ____ or failing him/her

3. the chairperson of the AGM, as my/our proxy, to vote for me/us and on my/our behalf at the AGM, and at each adjournment thereof, on all resolutions proposed below.

My/our proxy may vote in favour of and/or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name(s) in accordance with the following instructions (see notes on the reverse hereof):

Voting instructions in respect of all/ ____________ shares held (number)		Number of votes (one vote per share)		
		In favour of	Against	Abstain
	Presentation of annual financial statements	Non-voting agenda point		
1.	Ordinary resolution number 1: Reappointment of independent external audit firm and individual auditor			
2.	Ordinary resolution number 2: Confirmation of director appointments made by the company's board			
	2.1 AFB Mthembu			
	2.2 SN Maseko			
3.	Ordinary resolution number 3: Re-election of TC Esau-Isaacs as a director who retires by rotation			
4.	Ordinary resolution number 4: Election of audit and risk committee members			
	4.1 KT Hopkins			
	4.2 Z Fuphe			
	4.3 SH Müller			
	4.4 TC Esau-Isaacs			
5.	Ordinary resolution number 5: Placing of preference shares under the control of the directors for commercial purposes			
6.	Ordinary resolution number 6: Non-binding advisory votes to endorse KAP's:	Non-binding advisory votes		
	6.1 Remuneration policy			
	6.2 Implementation and remuneration disclosure for 2024			
7.	Ordinary resolution number 7: Ratification of transactions relating to personal financial interest arising from the executive directors' multiple intergroup directorships			
8.	Special resolution number 1: Approval of fees payable to non-executive directors:			
	1.1 Independent non-executive chairperson			
	1.2 Lead independent non-executive director			
	1.3 Board member			
	1.4 Audit and risk committee chairperson			
	1.5 Audit and risk committee member			
	1.6 Human capital and remuneration committee chairperson			
	1.7 Human capital and remuneration committee member			
	1.8 Sustainability, social and ethics committee chairperson			
	1.9 Sustainability, social and ethics committee member			
	1.10 Nomination committee chairperson			
	1.11 Nomination committee member			
	1.12 Investment committee chairperson			
	1.13 Investment committee member			
9.	Special resolution number 2: Financial assistance for subscription of securities			
10.	Special resolution number 3: Financial assistance to related and interrelated companies			
11.	Special resolution number 4: Amendment of MOI			

Shareholders must insert an 'X' in the appropriate block if they wish to vote all their shares in the same manner. If not, insert the number of votes in the appropriate block. The total number of votes may not exceed the total to which the shareholder is entitled. Unless otherwise instructed, a shareholder's proxy may vote as he/she thinks fit.

Signed at ____________ this ____________ day of ____________ 2024

Signature ____

Any instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of the power of attorney, must be forwarded to TMS at the address stated overleaf to reach them by 14:00 on Wednesday, 27 November 2024, or may be handed to the chairperson of the AGM before the appointed proxy exercises any shareholder rights at the AGM.

NOTES TO THE FORM OF PROXY

1. This Form of Proxy should be used only by certificated shareholders or shareholders who have dematerialised their shares with 'own-name registration'.
2. All other shareholders who wish to attend the AGM must arrange with their CSDP or broker to provide them with the necessary written authorisation (letter of representation) to attend the AGM. If they elect not to attend the AGM, and wish their votes to be recorded, they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairperson of the AGM and must, accordingly, present their driver's licence, identity document or passport in order to participate at the AGM. If in any doubt as to whether any document will be accepted as satisfactory proof of identity, participants should contact the transfer secretary ('Computershare') or TMS in advance for guidance.
3. A shareholder may insert the name(s) of one or more proxies, none of whom need to be a shareholder of the company, in the space provided. The person whose name appears first on the Form of Proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow. In the event that no names are indicated, the proxy may be exercised by the chairperson of the AGM.
4. A shareholder's instruction on the Form of Proxy must be indicated by the insertion of a number of shares in the appropriate space provided, or an 'X' if the shareholder wishes to vote all the shares. Failure to comply with the above will be deemed to authorise the chairperson of the AGM (if he is the authorised proxy), or any other appointed proxy, to vote all the shareholder's exercisable votes as he/she deems fit. In general, a shareholder or his/her proxy is not obliged to use all the votes exercisable, but the total of the votes cast, together with any abstentions recorded, may not exceed the total of the votes exercisable by the shareholder or by his/her proxy.
5. The completion and lodging of this Form of Proxy shall not preclude the shareholder from attending, speaking and voting in person at the AGM to the exclusion of any proxy appointed in terms hereof.
6. Should this Form of Proxy not be completed and/or received in accordance with these directives, the chairperson of the AGM may accept or reject it, provided that, in the case of acceptance, the chairperson is satisfied as to the manner in which the shareholder's votes are to be recorded.
7. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by TMS or by the transfer secretary at an earlier stage.
8. Documentary evidence establishing the authority of the person signing this Form of Proxy in a representative or other legal capacity must be attached to this Form of Proxy unless previously recorded by TMS or the transfer secretary, or waived by the chairperson of the AGM.
9. The chairperson of the AGM shall be entitled to reject the authority of a person signing this Form of Proxy:
   - 9.1 under a power of attorney; or
   - 9.2 on behalf of a company or on behalf of another entity,

   unless that person's power of attorney or authority has been deposited with and registered by TMS or the transfer secretary at the respective addresses stated below before the time fixed for commencement of the AGM.
10. Where shares are held jointly, all joint holders are required to sign the Form of Proxy.
11. Any alterations of or correction to this Form of Proxy must be initialled by the signatory(ies).
12. On a show of hands, every shareholder present in person or represented by proxy shall have only one vote, irrespective of the number of KAP shares he/she holds or represents. On a poll, every shareholder present in person or represented by proxy shall have one vote for every KAP share held by such shareholder. It is the intent that all voting at the AGM will take place by way of a poll.
13. Shareholders may participate electronically in the AGM. However, shareholders who wish to participate electronically must:
   - 13.1 make application in writing to be received by TMS at least 5 (five) business days prior to the date of the AGM so that arrangements can be made for their electronic participation in the AGM;
   - 13.2 provide reasonably satisfactory identification;
   - 13.3 make arrangements with their own service provider to be billed separately for their participation; and
   - 13.4 in advance of the meeting, submit their Forms of Proxy or voting instructions to their CSDP/broker in order for their votes to be counted, as electronic participation does not accommodate remote voting.
14. To avert a potential administrative burden at the AGM, completed Forms of Proxy must be e-mailed to proxy@tmsmeetings.co.za to be received by TMS by no later than at 14:00 on Wednesday, 27 November 2024. In the alternative, Forms of Proxy may be handed to the chairperson at the AGM before the appointed proxy exercises any shareholder rights at the AGM.

Important addresses and contact particulars

Transfer secretary
Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank
2196

Private Bag X9000
Saxonwold 2132
South Africa
Tel: +27 11 370 5000

TMS
The Meeting Specialist Proprietary Limited
JSE Building
One Exchange Square, Gwen Lane
Sandown 2196

PO Box 62043
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