

WBHO

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2022



OUR REPORTING JOURNEY

WE ARE WBHO,
ONE OF THE
LARGEST
CONSTRUCTION
COMPANIES IN
SOUTHERN AFRICA

SUSTAINABILITY AT A GLANCE

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Overview of the Group,
our sustainability ethos
and the "WBHO Way."

Our integrated approach
to sustainability
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our vision and business
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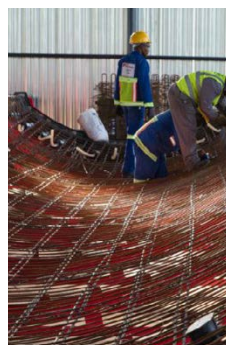
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STRATEGIC OBJECTIVES

- so1 Flexibility and diversification
- so2 Procurement and execution excellence
- so3 Reputation and relationships
- so4 Capacity and talent management
- so5 Safety and environmental management
- so6 Transformation and localisation

REPORTING SUITE

Integrated Report (IR)

The Integrated Report is the primary report to the stakeholders. It is structured to show the relationship between the interdependent elements involved in the value creation story, in compliance with:

- The <IR> Framework
- The Companies Act, No. 71 of 2008, as amended [Companies Act of South Africa]
- The JSE Listings Requirements
- King IV Report on Corporate Governance for South Africa 2016 [King IV™]



Audited Consolidated Financial Statements (AFS)

A comprehensive report of the Group's financial performance for the year, in compliance with:

- The Companies Act of South Africa
- The JSE Listings Requirements
- King IV™
- International Financial Reporting Standards (IFRS)



Environmental, Social and Governance Report (ESG)

A detailed account of WBHO's performance for the year, including environmental, social and governance elements, in compliance with:

- The Companies Act of South Africa
- The JSE Listings Requirements
- King IV™
- Global Reporting Initiative (GRI) core)



Notice of annual general meeting (AGM)

Supporting information for shareholders to participate in the AGM, in compliance with:

- The Companies Act of South Africa
- The JSE Listings Requirements
- King IV™



FEEDBACK

Your feedback is important to WBHO and we welcome input to enhance our report. Please visit www.wbho.co.za or contact the Group Company Secretary on +27 11 321 7200 or wbhoho@wbho.co.za.

ABOUT WBHO AND OUR APPROACH TO SUSTAINABILITY

OUR VISION

TO BE THE LEADING CONSTRUCTION COMPANY WHEREVER WE OPERATE, ALWAYS STRIVING TO BE “A PLEASURE TO DO BUSINESS WITH” BY DELIVERING QUALITY SOLUTIONS IN A PROFESSIONAL AND COLLABORATIVE MANNER, EVERY TIME.

ABOUT US

ESTABLISHED
1970

B-BBEE STATUS
LEVEL 1

A LEADER
IN TRANSFORMATION



WBHO is one of the largest construction companies in southern Africa, with operations in the United Kingdom, and is listed on the Johannesburg Stock Exchange (JSE).

In the UK, the Byrne Group is based in London, while Russell-WBHO operates from Manchester.

Our activities cover the full construction spectrum and are divided into three main operating divisions – Building Construction, Civil Engineering and Roads and Earthworks.

GOING BEYOND COMPLIANCE

Our approach to sustainability

Managing the health, safety, quality, environmental and social aspects of our business, alongside our operational and financial performance, is at the heart of how we do business.

For us, sustainability is non-negotiable.

Operating in a responsible, sustainable and ethical manner guarantees our long-term success and secures our social license to operate.

THE WBHO WAY

We stand firmly behind our motto of “**Rely on our ability**”. This ethos guides us in all that we do, and is experienced by our clients, our people and the communities in which we operate.

01

Reliability

We believe in long-term relationships built on mutual trust – and this can only be achieved by working actively to build a reputation of reliability through excellence in our people, systems and products.

02

Quality

Quality is of utmost importance to us. We constantly pursue it and are focusing on continuous improvement in all that we do.

03

Culture

We always strive to be flexible, dependable, hard-working and a pleasure to do the business with. These shared values have guided and shaped us, and the big things are a direct result of the many small acts of consideration, respect and kindness that we show each other every day.

OUR 2022 SUSTAINABILITY PERFORMANCE AT A GLANCE

OUR 2022 SUSTAINABILITY PERFORMANCE DEMONSTRATES OUR CONTINUED DRIVE TO PLACE ESG AT THE HEART OF OUR BUSINESS. WITH SIGNIFICANT PROGRESS ACROSS MOST METRICS – AND RECORD SAFETY PERFORMANCE – THE GROUP IS COMMITTED TO GOING BEYOND COMPLIANCE IN SUSTAINABILITY.

2022

TRANSFORMATION

Level 1 – A leading B-BBEE company in South Africa's construction industry

R5.3 billion spent on Black-owned companies in South Africa
2021: R5.1 billion

16% women in the South African workforce
2021: 16%

Active participation and contribution in the **Construction Sector Charter Council** in South Africa

SAFETY

New safety benchmarks achieved
Progress in advancing zero-harm

0.30 lost-time injuries per million man-hours 2021: 0.39

0.27 RCR improvement 2021: 0.31

1 Work-related fatality 2021: 2

PEOPLE

86% – Black representation in South Africa 2021: 85%

9.7% avoidable employee turnover rate across the WBHO Group
2021: 12.7%

National recognition in South Africa

Diamond Award: Best Construction Company 1st overall position achieved by the WBHO Group

Global recognition

Investors in People "Platinum Status" in the UK achieved by Russell WBHO in 2022

ENVIRONMENT

Zero penalties or fines for non-compliance across the Group

Zero reportable incidents 2021: Zero

62 Green Star SA buildings supported to date



INTRODUCTION



ABOUT THIS REPORT

OUR INTEGRATED APPROACH TO SUSTAINABILITY REPORTING

This report provides our key stakeholders – namely our shareholders, employees, local communities, non-governmental organisations (NGOs), the investment community, customers, business partners, suppliers and government – with a transparent account of how we addressed the most material sustainability issues the Company faced during 2022.

Wilson Bayly Holmes-Ovcon Limited (“WBHO” or “the Group”) considers the impact of its business and operations on society and the environment in which it operates. The Group believes that the disclosure of socio-economic and environmental performance is as relevant as financial reporting.

In this report, we provide an overview of the environmental, social and governance issues that the Group aims to balance over the short, medium, and longer term.

Our commitment to safety, the environment and our stakeholders shape how we manage the business and execute our strategy to deliver sustainable growth and acceptable shareholder returns. The report also explains our focus on continuously improving the way the Group operates to prevent incidents and to identify, minimise or avoid adverse environmental and social impacts.

REPORTING SCOPE AND BOUNDARY

The scope of this report covers the primary ESG activities of the Group in South Africa and the rest of Africa, as well as selected information from activities in the United Kingdom (UK). Detailed information on investments in which the Group holds less than a 50% interest is not included.

This report excludes data and information on the Australian operations following the decision by the Board to withdraw further funding thereof and those businesses subsequently being placed into administration on 23 February 2022. All comparative information has been restated.

This report covers the financial year from 1 July 2021 to 30 June 2022, along with historical information and forward-looking statements, all of which provide context in respect of the Group’s strategy and operations. The selected information has been provided on a 12-month basis.

This ESG Report has been developed in accordance with the GRI standards (Core option), and the GRI content index can be found on pages 76 to 80.

MATERIAL SUSTAINABILITY MATTERS

Our approach to sustainability reporting is aligned with the responsible, ethical and ongoing success of the business.

This ESG Report, which is supplementary to our integrated report, focuses on the key sustainability challenges facing the Group and how it is responding to them, while the integrated report (IR) and annual financial statements (AFS) predominately deal with economic sustainability.

ASSURANCE AND INDEPENDENT ASSESSMENT

WBHO uses a combined assurance model to provide assurance from management as well as from internal and external assurance providers.

DIRECTORS’ RESPONSIBILITY

The Board, supported by the Audit and Social and ethics committees, has overall accountability for this report. It has delegated its responsibility for monitoring and managing the Group’s social and economic development; good corporate citizenship, including the promotion of equality; environment; quality; health and safety; good labour conditions; and sound business ethics to the Social and ethics committee.

The Board has collectively reviewed the content of this report and confirms that it believes this ESG Report addresses the material issues and is a balanced and appropriate presentation of the sustainability performance of the Group.

The WBHO Board approved this report on 26 October 2022.

Louwtjie Nel
Chairman

Hatla Ntene
Social and Ethics
Committee Chairman

Wolfgang Neff
Chief Executive Officer



REFLECTIONS FROM CHAIRMAN OF SOCIAL AND ETHICS COMMITTEE



HATLA NTENE

SOCIAL AND ETHICS COMMITTEE CHAIRMAN

“For WBHO, sustainability is not a tick-box exercise, it is integral to how we operate and a core part of our business’ DNA.

The 2022 financial year saw a continued effort to position the Group for recovery post-Covid-19 while contending with several headwinds. Despite these challenges, WBHO continues to make progress in embedding sustainability across its operations.”

OUR JOURNEY IN EMBEDDING SUSTAINABILITY

Dear value stakeholder,

I am pleased to present, on behalf of the Board, the Environmental, Social and Governance Report for the 2022 financial year of the WBHO Group.

Globally, there is increasing importance given to environmental, social and governance (ESG) considerations in business strategy, performance and decision-making.

Across the construction and related industries, there are a number of developments already underway. Investors and other stakeholders are considering the impact of climate change, while our clients are setting ambitious carbon-reduction targets, with new partnership and collaboration models taking shape concurrently.

While ESG issues – like climate change and decarbonisation, transformation and localisation in an African context, or inclusion and diversity – are not new in their entirety, the spotlight on these issues creates an opportunity for us to actively engage in promoting and improving our sustainability performance. Human capital management, safety and environmental management and adherence to the laws and regulations are not merely tick-box items to which we comply at WBHO – they are at the heart of our business, and *how* we do business.

Over the past five years, the Board has monitored WBHO’s ESG performance against its competitors through reports such as the Risk Insights ESG Comprehensive Sustainability Report. WBHO received a “Good” rating for its 2021 ESG Report, and we continue to strive for improvement in our broader sustainability and ESG disclosure.

REFLECTIONS FROM CHAIRMAN OF SOCIAL AND ETHICS COMMITTEE continued

Our sustainability strategy

The Group promotes sustainability through the integration of environmental, social and economic considerations into all aspects of the Group’s activities and maintains a framework of policies and authorities that govern disciplined decision-making.

We believe that the Group and the broader construction industry in its entirety have an essential role to play in achieving global sustainability goals. While we appreciate that the construction industry is generally not seen as a sustainability pioneer, WBHO, in collaboration with key stakeholders, continues to enhance its sustainability strategy in order to:

- ✓ support the personal growth of our people within safe working conditions;
- ✓ limit, as far as possible, our contribution to the causes and effects of climate change and seek ways to reduce our energy and water intensity; and
- ✓ build more sustainable communities.

We strive to foster a sustainability-minded culture throughout the organisation in order to proactively identify and mitigate sustainability risks.

WBHO’s Sustainability performance against key metrics in the year includes the following:	
Safety	<ul style="list-style-type: none">• The Group maintained a lost-time injury frequency rate (LTIFR) of 0.30 (FY2021: 0.39)• A recordable case rate (RCR) of 0.27 (FY2021: 0.31)• 1 work-related fatality (FY2021: 2) <p>These are new record-lows for the Group, reflecting the enormous progress and effort we are making in advancing zero-harm.</p>
Certifications	WBHO maintained its ISO 9001, ISO 14001 and ISO 45001 certifications across all regions
Customers’ perception	Our customers’ perception of the quality of our on-site performance remained strong with a rating of 92% attributable to the South African operations
B-BBEE	Maintained our Level 1 B-BBEE certification for the sixth consecutive year
Environmental	No reportable environmental incidents

Our inclusive approach to stakeholder engagement

Our stakeholder engagement process focuses on establishing and maintaining mutually beneficial relationships with all our stakeholders. We continue to work with relevant stakeholders, to provide transparency around the impact of our business on them and how we plan to address these.

Committee oversight

I am pleased to report that there was no material non-compliance with legislation or non-adherence to codes of best practice in respect of the areas within the Social and ethics committee’s mandate for the period under review. During the year, the committee fulfilled its mandate both in terms of its statutory duties and its formal charter. Details of these activities are discussed on pages 64 and 65 of this report.

During the year the board engaged with a number of stakeholders on ESG matters, in particular carbon emissions, carbon tax, safety and the effects of load shedding amongst others.

Performance

WBHO continued to deliver improved sustainability performance this year. A particular highlight for us was our continued journey to zero harm, with the Group attaining its best-ever safety performance. This result reflects our core belief that improving our sustainability performance and setting new benchmarks in the process is possible.

I am particularly pleased that one of our UK-based businesses, Russell-WBHO, attained Platinum status in the UK investors in People Award. This accreditation is the highest obtainable, with less than 2% of competing companies attaining Platinum status. In South Africa, we once again received the Diamond Award for the Best Construction Company to work for. These accolades bear testimony to our belief that people are our biggest asset – and investing in them is vital for our success.

With an increased focus on climate change taking shape across our industry and the globe, finding new ways to reduce the emissions will become ever more important. In this regard, I am pleased with the work underway to develop a holistic approach to reduce the emissions of the Group across Scopes 1, 2 and 3. A holistic approach aims to avoid adopting low-carbon solutions that cause other types of harm.

One of the exciting carbon-reduction pathways globally, is developing low-carbon concrete technology, an area which the Byrne Group has been leading in the UK. The business has been widely recognised for its efforts in adopting ultra-low carbon concrete and continues to work collaboratively with others, including clients, to accelerate this.

During a time of increased social unrest and the devastating floods that destroyed lives and livelihoods in parts of South Africa, I am proud of our SA-based employees who came together to lend a helping hand. Through our spirit of giving, commitment to the upliftment of our communities and our skills, the Group contributed to humanitarian relief and infrastructure support efforts in both of these unfortunate events in the year under review.

Looking ahead

The world faces a lot of uncertainty – from the slowing of economic growth, the likelihood of a possible recession and growing momentum on the global decarbonisation agenda. Focusing on delivering shared and sustainable value will be increasingly important, and our sustainability performance is key to helping us build a resilient and flexible business that can adapt to change.

I am confident that we have the necessary protocols, policies and procedures to ensure that our sustainability drive continues to gain momentum. Tied to this, the wellbeing of our people, who are our most valued assets, is paramount. We recognise the importance of placing an increased focus on wellbeing in its broadest sense, including mental health and providing support in this regard.

The efforts undertaken by the management team to improve the Group’s sustainability performance, across all key metrics, is commendable and a testament to how we go beyond compliance. In closing, I extend my thanks to my fellow Board and committee members, the CEO, Wolfgang Neff and his management, and our employees for their investment in WBHO’s sustainability journey.

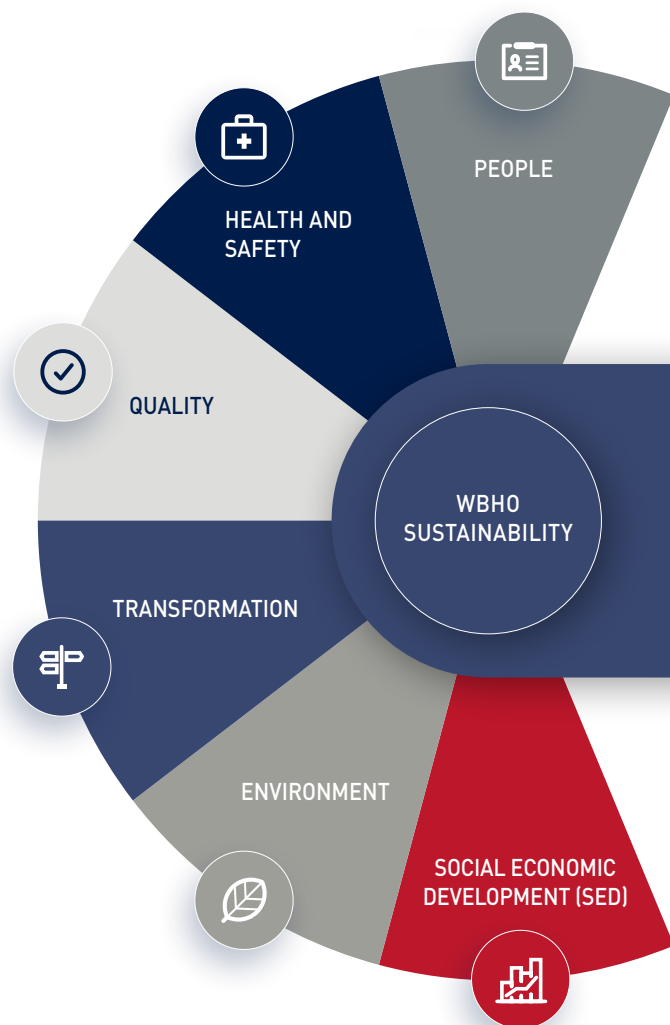
I am confident that the Group is adequately positioned to deliver value safely and efficiently to all stakeholders in a sustainable manner. This is the WBHO difference.

Hatla Ntene
Social and Ethics Committee Chairman

SUSTAINABILITY STRATEGY

As an organisation, WBHO recognises the importance of operating in a sustainable manner, and thereby fulfilling the needs of today without jeopardising our ability to meet the needs of tomorrow.

We believe that our employees come to work trusting in their safety and knowing that they will return home without harm. We strive to limit our environmental footprint by implementing the highest standards of environmental protection, as well as by applying the best construction and quality management practices throughout all phases of construction. This also has a positive impact on clients and suppliers.



OUR SUSTAINABILITY STRATEGY IS FULLY ALIGNED WITH THE GROUP'S VISION AND OVERALL BUSINESS STRATEGY AND FORMS AN INTEGRAL PART OF HOW DAY-TO-DAY BUSINESS IS CONDUCTED.

PEOPLE

Our people are the key stakeholders of the organisation and are essential to its continued success and sustainability. As a result, we are committed to providing a safe, healthy and enabling workplace that is characterised by mutual respect, fairness, integrity, non-discrimination, equal opportunities, growth and upliftment and open, two-way engagement.

For more on our people, see page 16

HEALTH AND SAFETY

Construction is inherently a high-risk activity and we recognise that we have a moral and legal obligation to safeguard and protect the wellbeing of our people. We strive for a work environment that achieves "zero harm", which means operating without fatalities and a minimum of lost-time injuries. We also recognise that our occupational health and safety (OHS) responsibility extends beyond WBHO employees and encompasses every stakeholder involved in our projects.

For more on health and safety, see page 26

QUALITY

WBHO, in fulfilling its motto: "Rely on our ability" signifies a focused group, that concentrates on providing its clients with a quality product. To this end, the Group mobilises its management skills and resources in the most efficient and cost-effective manner to produce projects to the required standards and quality.

For more on quality performance, see page 37

TRANSFORMATION AND LOCALISATION

WBHO takes its commitment to transformation and localisation seriously and it is a priority that continues to be debated, planned and reviewed at the highest levels of the organisation as well as the broader construction industry.

For more on transformation and localisation, see page 42

ENVIRONMENT

The construction industry is deemed a high-impact industry and we fully acknowledge our moral and legal responsibility to safeguard the environment and the wellbeing of all those affected by our activities. We are committed to maintaining the highest standards of environmental protection throughout every phase of the construction process and seek to do so by rigorously applying the best practice principles of environmental management.

For more on environmental performance, see page 48

SOCIAL ECONOMIC DEVELOPMENT (SED)

WBHO considers SED to be a moral responsibility rather than a contractual obligation. Our SED programmes are focused on providing assistance and upliftment to communities in the areas in which we operate, especially in remote rural locations. We seek to support those projects, which provide tangible and measurable benefits to the community directly.

For more on social economic development spend, see page 46

ESG MATERIALITY

For WBHO, materiality in the context of ESG, is focused on those material issues that are likely to impact the Group’s financial, operational and long-term sustainability performance – and are therefore most important to investors and stakeholders. In determining material sustainability matters, a variety of internal and external influences are considered including the operating environment, legislation, key stakeholder needs, strategy and business activities, as well as related risks.



United Nations
Global Compact

WBHO’s ESG reporting aligns with the United Nations General Council (UNGC) ten principles, which are derived from the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

We believe that this is a impactful framework for measuring sustainability performance over time.

MATERIAL SUSTAINABILITY MATTERS

Social

- Promoting workplace health and safety
- Quality management
- Employee development
- Meeting WBHO’s commitments to transformation and society
- Economic impact

Environmental

- Exceeding environmental compliance standards
- Responding to climate change
- Promoting water management practices
- Responsible waste management

Governance

- Implementing ethical leadership and governance processes

OPERATING ENVIRONMENT

BUSINESS ACTIVITIES

STAKEHOLDER INTEREST

STRATEGY

RISK AND OPPORTUNITY

IMPACT ON VALUE

HEALTH AND SAFETY

A safe and healthy workforce contributes to an engaged, motivated and productive workforce that identifies hazards and minimises incidents, mitigates operational stoppages and reduces potential legal liabilities.

Protecting the safety and health of employees and contractors is also a fundamental human rights imperative.

RESPONSIBLE ENVIRONMENTAL BUSINESS PRACTICES

Responsible environmental management, including the management of energy and climate change, water consumption and discharge, and waste management is a major factor in legal compliance.

Understanding the effects of climate change on the business and how it may impact our value chain is important as WBHO strives to maximise the opportunities associated with the transition to a low-carbon future.

COMMUNITIES

Acting in a responsible and ethical manner is fundamental to WBHO’s business philosophy.

Working closely with communities and governments to undertake integrated planning and share the benefits of the business helps WBHO to avoid and mitigate adverse social impacts, optimise development opportunities and maintain its socio-political licence to operate.

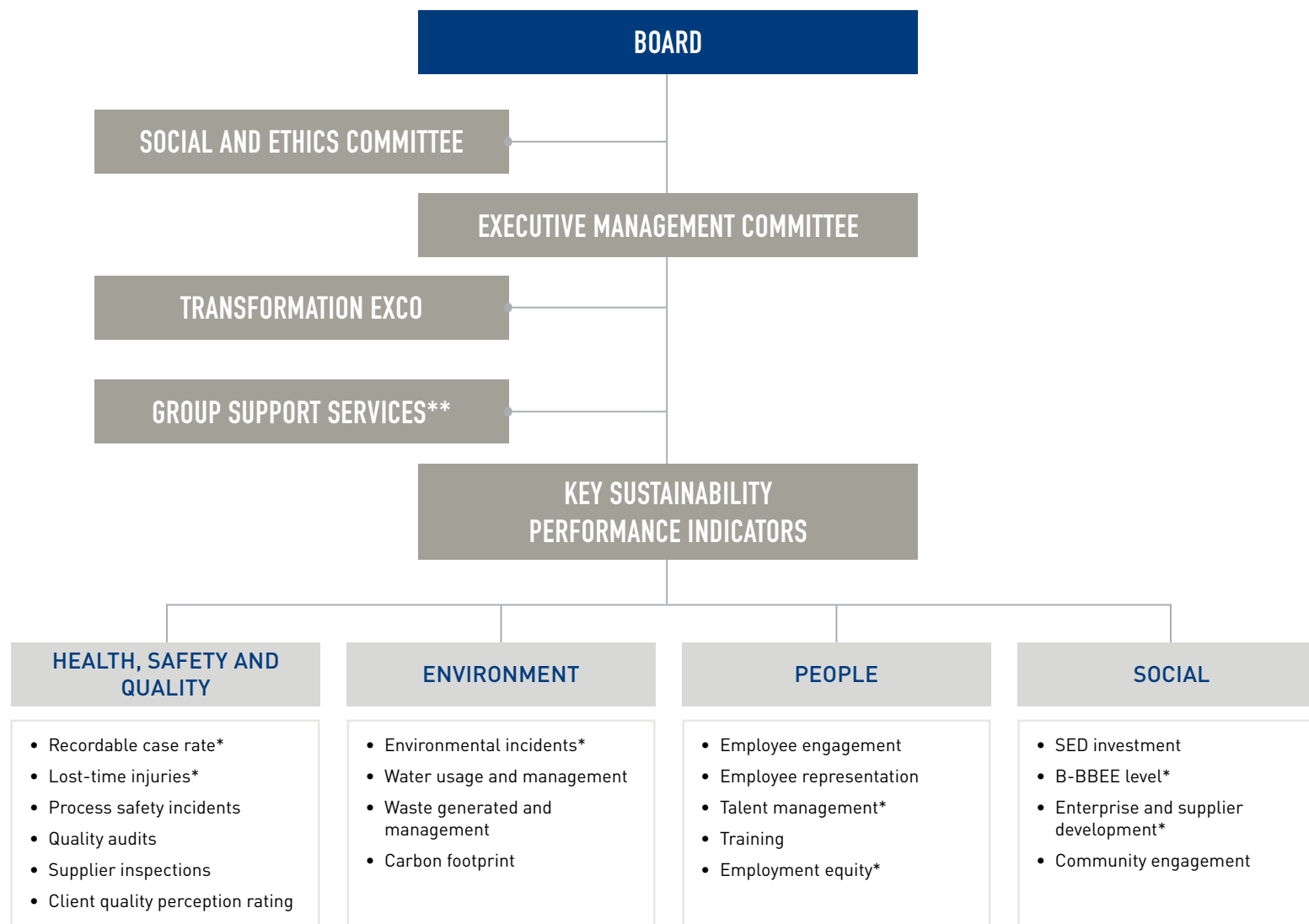
GOVERNANCE

Good governance is a philosophy and approach that each level of a company must adopt, with the tone primarily set from the top.

Good governance is an instrumental component in creating value for WBHO’s stakeholders and it necessitates the exercise of ethical and effective leadership in a responsible, fair and transparent manner.

OUR APPROACH TO SUSTAINABILITY GOVERNANCE AND MANAGEMENT

SUSTAINABILITY GOVERNANCE FRAMEWORK



SUSTAINABILITY GOVERNANCE

We have a structured and systematic approach to managing the most significant social, economic and environmental impacts and to addressing the material interests of priority stakeholders.

The Board is ultimately responsible for the key governance processes to ensure sustainable growth, acceptable performance and the affairs of the Group.

The Board has delegated to the Social and ethics committee (SEC) its responsibility for monitoring and managing the Group's social and economic development, good corporate citizenship, fair labour conditions and sound business ethics.

For more on governance, the Board and its committees, see page 55.

WBHO's Chief Executive Officer and his executive management team (Exco) assume accountability for the day-to-day management and performance of the overall sustainability strategy, with relevant performance indicators and the achievement of targets influencing the performance-based remuneration of senior executives.

Responsibility for delivering on the sustainability performance rests with the Group support services committee.

* *Linked to executive and senior management remuneration.*

**** Group support services include: Health and safety, Environmental, Quality, Transformation, Company secretarial and Legal counsel.**

OUR APPROACH TO SUSTAINABILITY GOVERNANCE AND MANAGEMENT continued

COMMITTEE RESPONSIBILITIES AND GOVERNANCE

The SEC is constituted in terms of section 72(4) of the Companies Act, No. 71 of 2008, as amended, and its accompanying regulations to implement the mandate prescribed by regulation 43(5).

The committee's primary goals are to provide stewardship and to promote social and economic development, good corporate citizenship and risk management practices at WBHO.

The committee has adopted appropriate formal terms of reference and is responsible for overseeing activities relating to:

Social and economic development, including the Group's standing in terms of the goals and purposes of:

- ✓ The ten principles set out in the UNGC OECD recommendations regarding human rights, labour, the environment and corruption
- ✓ The Employment Equity Act
- ✓ The Broad-Based Black Economic Empowerment Act

Good corporate citizenship, including the Group's:

- ✓ Promotion of equality, prevention of unfair discrimination and reduction of corruption
- ✓ Contribution to development of the communities in which its activities are predominantly conducted
- ✓ Record of sponsorship, donations and charitable giving
- ✓ The environment, health and public safety, including the impact of the Group's activities and of its products or services
- ✓ Consumer relationships, including the Group's advertising, public relations and compliance with consumer protection laws
- ✓ Labour and employment, including:
 - The Group's standing in terms of the International Labour Organization Protocol on decent work and working conditions
 - The Group's employment relationships, and its contribution towards the educational development of its employees.

COMMITTEE MEMBERSHIP AND MEETING ATTENDANCE

The Committee comprises three non-executive directors, the Company Secretary and two members of management.

All members have the requisite business, financial and leadership skills for their positions.

Member	Committee members since	Meeting attendance
Hatla Ntene (Independent non-executive director and Chairman of SEC)	1 November 2017	2/2
Karen Forbay (Independent non-executive director)	1 November 2017	2/2
Ross Gardiner (Independent non-executive director)	1 November 2017	2/2
Donna Msiska (Group Company Secretary)	Appointed 1 April 2021	2/2
Samuel Gumede (Group legal counsel)	21 November 2017	2/2
Andrew Logan (Group Financial Manager)	13 September 2013	2/2

Members of senior management from the human resources, safety, environmental, quality, and transformation functions attend meetings by invitation.

COMMITTEE FOCUS AREAS IN FY2022:

Environmental

- ✓ Assessing reports from management in respect of safety, environmental, human capital and training and empowerment and social development.
- ✓ Analysing and monitoring the Group's safety statistics and ensuring that necessary interventions are in place.

Social

- ✓ Assessing avoidable staff turnover rates for professional staff and the trends behind resignations.
- ✓ Monitoring progress on CCMA and Labour Court matters and consideration of how these could impact future employee relations practices.
- ✓ Evaluating the impact of the KwaZulu Natal riots and the Eastern Cape and KwaZulu Natal floods on the staff in the affected areas as well as communities and how the business responded.

Governance

- ✓ Training conducted in FY2022 and training plans for FY2023 as part of WBHO's anti-bribery and corruption prevention and detection programme.
- ✓ Assessing the impact of the Companies Amendment Bill on the Group with particular focus on the determination of beneficial ownership and the additional requirements for the social and ethics committee.

ANNUAL CONFIRMATIONS BY THE SEC:

The SEC confirms that it:

- ✓ Has discharged its responsibilities as mandated by the Board, its statutory duties in compliance with the Companies Act, and best practice in corporate governance as set out in King IV is satisfied that the Group's social and ethics procedures and controls are operating appropriate.

OUR APPROACH TO SUSTAINABILITY GOVERNANCE AND MANAGEMENT continued

REGULATORY GOVERNANCE

WBHO endeavours to uphold corporate citizenship and the law, ensuring that there is no infringement on human rights through adherence to policies and processes. The Group seeks to prevent any infringements and holds its suppliers and other business partners to the same standards.

WBHO companies and employees are required to comply with the laws and regulations of the countries in which the Group operates.

Key legislation in South Africa includes:

- ✓ Labour Relations Act.
- ✓ Employment Equity Act.
- ✓ National Water Act.
- ✓ National Environmental Management Act.
- ✓ Occupational Health and Safety Act.

WBHO policies include, amongst others:

- ✓ Climate change
- ✓ Environmental
- ✓ HIV/Aids
- ✓ Occupational health and safety
- ✓ Quality
- ✓ Human capital
- ✓ Racial and diversity policy
- ✓ Social economic development
- ✓ Regulatory risk matrix

Participation in industry forums and memberships:

- ✓ National Home Builders Registration Council
- ✓ South African Forum of Civil Engineering Contractors
- ✓ The Green Building Council of South Africa
- ✓ Construction Charter Council
- ✓ Tirisano Trust

Commitments, international standards and voluntary compacts, include:

- ✓ Companies Act of South Africa
- ✓ JSE Listings Requirements
- ✓ King IV™
- ✓ ISO 9001 – International Quality Management Standard
- ✓ ISO 14001 – International Environmental Management Standard
- ✓ ISO 45001 – International Health and Safety Management Standard
- ✓ Implementing the principles of the United Nations Global Compact
- ✓ Global Reporting Initiative (GRI)

MANAGEMENT APPROACH

Policies and operational risk management

We have implemented various precautionary sustainability-related policies and standards across the Group. These policies set out the goals, principles, policies, management system requirements and performance expectations for managing our core sustainability risks and opportunities. Some of the key policies are available online at www.wbho.co.za.

Policies and standards and site-specific procedures are in place to ensure compliance with legislative requirements, and responsibility for implementing these rests with line management. Group and operational-level safety, health, environmental and quality (SHEQ) specialists support line management in implementing the strategy and in monitoring and managing performance.

Policy implementation is enhanced by our commitment to maintaining ISO certification for various quality, safety and environmental management systems, with audits conducted by internal and external auditors to ensure compliance. During the year under review, the Group maintained all its health, safety and quality certifications.

	South Africa	Rest of Africa	United Kingdom
ISO 9001 – International Quality Management	✓	✓	✓
ISO 14001 – International Environmental Management Standard	✓	✓	✓
ISO 45001 – International Health and Safety Standard	✓	✓	✓



OUR APPROACH TO SUSTAINABILITY GOVERNANCE AND MANAGEMENT continued

ETHICAL BUSINESS PRACTICES

Code of conduct and anti-corruption

We have a zero-tolerance approach to unethical and corrupt practices and every employee is accountable for ensuring that our organisational values are always upheld. These principles are entrenched in our Code of Conduct and reinforced by specific policies and training programmes on issues such as anti-trust and anti-corruption behaviour.

The Group requests a Declaration of Interests from internal and external stakeholders annually in an attempt to prevent corruption within the workplace. In addition to this corruption preventative measure, we maintain an independent anonymous tip-off line which is aimed at providing employees with a platform for the anonymous reporting of potentially corrupt activities within the business. Awareness campaigns regarding both corruption and preventative measures are regularly communicated across the Group.

Human rights

The protection of human rights at a global level is enshrined in the principles of the UN Global Compact. We respect and uphold these values, treating all people with dignity and respect. We are committed to safeguarding the human rights of others and attending to human rights impacts during the course of business operations. We respect freedom of association, seeing it both as an individual and as a collective right, and we do not restrict employees' choices with regard to trade union membership.

WBHO endeavours to uphold corporate citizenship and the law, ensuring that there is no infringement on human rights by requiring adherence to policies and processes. We seek to prevent any infringements and, as far as practically possible, we hold our suppliers and business partners to the same standards.

We have formal mechanisms in place for reporting human rights grievances and violations at all operations and the corporate office as part of our Human Resources policies. The Group had no reported incidents regarding human rights, child labour and forced or compulsory labour during the year under review. The Group had no reported incidents regarding human rights, child labour and forced or compulsory labour during the year under review.

Sustainable sourcing practices

We expect all service providers acting on WBHO's behalf to adopt and follow the Group's standards and policies, and the Group has a Supplier Code of Conduct in place aligned with the principles of the UN Global Compact as it pertains to the protection of human rights and ensuring sustainable business practices. This code outlines the minimum standards with which we expect suppliers to comply in the areas of health and safety, human rights, ethics and environmental responsibility.

We encourage all our suppliers to promote the requirements of the code within their own supply chains.

Contributions to political parties

WBHO is politically agnostic and donations to political parties are handled in terms of a Donation Policy across all geographical operations.

Environmental projects

We apply a precautionary and risk-based approach to the management of environmental issues, based on international best practice, legal compliance and the maintaining of the environmental and social licence to operate.

Compliance with competition legislation

WBHO is committed in its endeavours to ensure that it complies with the provisions of competition legislation in all jurisdictions where it is active.

Through our Code of Conduct and business integrity processes, we ensure that all employees are aware of their duty to comply with the provisions of competition legislation and take all necessary steps to ensure compliance with the Competition Laws applicable to the country in which the company operates.

The Group takes a zero-tolerance approach to anyone who contravenes competition legislation in any material respect.



OUR APPROACH TO SUSTAINABILITY GOVERNANCE AND MANAGEMENT continued

UNGC principle	WBHO's support of the principle	Relevant WBHO policies and/or frameworks
Human rights <i>Principle 1:</i> Businesses should support and respect the protection of internationally proclaimed human rights <i>Principle 2:</i> Make sure that they are not complicit in human rights abuses	<p>WBHO supports the United Nation's Universal Declaration of Human Rights. The company is bound by the Constitution of the Republic of South Africa, which contains the Bill of Rights.</p> <p>All employees are bound by WBHO's Code of Conduct and are guided in their behaviour in terms of integrity, loyalty, equity, tolerance, impartiality and discretion. The WBHO service providers, suppliers and trade partners are required to adhere to the Supplier Code.</p>	<ul style="list-style-type: none"> • Code of Conduct • Employment policies
Labour <i>Principle 3:</i> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining <i>Principle 4:</i> The elimination of all forms of forced and compulsory labour <i>Principle 5:</i> The effective abolition of child labour <i>Principle 6:</i> The elimination of discrimination in respect of employment and occupation	<p>WBHO is committed to fair employment opportunities for all and to create an environment that permits such equal opportunities for advancement to redress past imbalances and to improve the conditions of individuals and groups who have been previously disadvantaged on the grounds of race, gender and disability. In the spirit of promoting organisational policies and practises that are fair and equitable, the company affirms its commitment to comply with the spirit of the Employment Equity Act to the strategic benefit of WBHO.</p> <p>South Africa is a signatory to the International Labour Organization convention, as applicable to fair labour practices, and South Africa has a plethora of labour legislation that reflect the standards. The company's employment policies incorporate these legislative provisions. South African law prohibits forced, compulsory and child labour.</p> <p>WBHO practises freedom of association and recognises the right to collective bargaining as prescribed in the Constitution of the Republic of South Africa and set out specifically in the South African Labour Relations Act.</p>	<ul style="list-style-type: none"> • Employment policies
Environment <i>Principle 7:</i> Businesses should support a precautionary approach to environmental challenges <i>Principle 8:</i> Undertake initiatives to promote greater environmental responsibility <i>Principle 9:</i> Encourage the development and diffusion of environmentally friendly technologies	<p>WBHO supports the precautionary approach to environmental challenges. Environmental and sustainability are founded in Group's safety, health, environmental and quality policies.</p> <p>The safety, health, environmental and quality policies ensure the WBHO operations are socially responsible, environmentally sound and in line with government requirements.</p>	<ul style="list-style-type: none"> • Climate change policy • Occupational health, safety and environmental policy • Quality policy • Code of Conduct • Environmental Management System and ISO 14000 certification
Anti-corruption <i>Principle 10:</i> Businesses should work against corruption in all its forms, including extortion and bribery	<p>WBHO's Code of Conduct articulates the values and acceptable ethical standards to which all persons associated with the Company are required to adhere. This notwithstanding, WBHO acknowledges that in today's business environment, fraud is prevalent and all business organisations are susceptible to the risk of fraud. In this regard, the Company has a zero-tolerance towards fraud and corruption as well as management's commitment to combat all forms of fraud inherent in the Company's operations.</p> <p>The WBHO Anonymous Tip-off line forms an integral part of the Company's anti-fraud and anti-corruption efforts. The toll-free hotline is independently managed.</p> <p>The conflict of interest policy for the Board and employees requires the disclosure of all direct or indirect personal or private business interests.</p>	<ul style="list-style-type: none"> • Code of Conduct • Conflict of interest policy • Whistleblowing policy • Fraud prevention plan


SUSTAINABILITY PERFORMANCE

15	Social performance
16	Human capital and skills development
26	Health and safety
37	Quality management
42	Transformation and social responsibility
48	Environmental performance
54	Economic impact

SOCIAL PERFORMANCE

HUMAN CAPITAL AND SKILLS DEVELOPMENT

WBHO'S HUMAN CAPITAL STRATEGY SUPPORTS THE GROUP STRATEGY THROUGH THE ESTABLISHMENT OF EFFECTIVE LEADERSHIP AND OPERATIONAL COMPETENCE AT ALL LEVELS, THEREBY EMBEDDING A CULTURE OF DELIVERY THROUGH HAVING THE RIGHT PEOPLE, CAPABILITIES, SUPPORT AND GOVERNANCE STRUCTURES IN PLACE.



WBHO's commitment

People management is a key focus area. WBHO seeks to **attract and retain the best available talent** within the industry.

When balancing the needs and capacity of the business with the sizes of the teams, WBHO **adopts responsible and ethical labour practices**.

Proactively investing in the development of employees is fundamental to ensuring the long-term sustainability of the business.

Link to strategic objectives

SO4

Capacity and talent management

SO2

Procurement and execution excellence

SO6

Transformation and localisation

HUMAN CAPITAL STRATEGY

Attracting and managing talent

Implementing the right processes, initiatives and culture fundamentals to ensure that WBHO is a leader in attracting, developing, optimising, engaging and retaining the best people in the construction business.

Employee development

Our commitment to the development of our employees prepares and equips them to participate safely and meaningfully in the workplace, and we endeavour to integrate this with their own developmental goals. We have a philosophy of "Growth from within" and, whenever possible, identify internal talent for development rather than hiring externally.

Performance management

Implementing fit-for-purpose performance management to provide consistency and accountability.

Diversity

Driving transformation and localisation objectives in all its markets.

EMPLOYEE VALUE PROPOSITION

Responsible employer

We aim to provide a safe, healthy and enabling workplace that is characterised by mutual respect, fairness, integrity, non-discrimination and open, two-way engagement.

Fair labour practices

We provide well-structured employment contracts and fair and competitive remuneration.

Embrace diversity

Equal opportunities in terms of recruitment, promotion, training and conditions of service.

WORKFORCE PROFILE AT A GLANCE

HOURLY AND MONTHLY CONTRACT EMPLOYEES WORLDWIDE (FY2021: 7 110)	AVOIDABLE EMPLOYEE TURNOVER RATE (FY2021: 12,7%)	BLACK REPRESENTATION IN SOUTH AFRICA (FY2021: 85%)	BLACK YOUTH EMPLOYED (FY2021: 32,1%)
6 765	9,7%	86%	28,8%

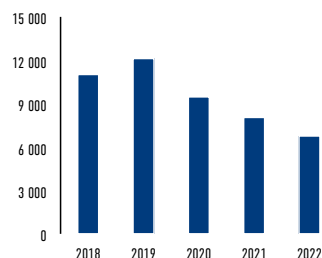
SOCIAL PERFORMANCE continued

CAPACITY MANAGEMENT

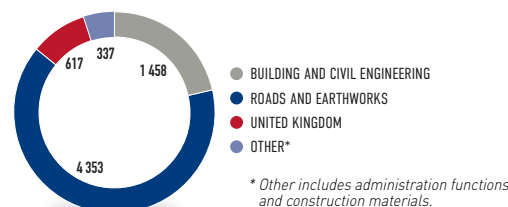
Workforce

With lower activity levels across all regions of the Group's operations, the Group saw a 4.9% decrease in the total workforce, bringing our total number of employees to 6 765 (FY2021: 7 110 excluding Australia) in the year under review. The decrease is mainly attributed to contracts coming to an end in the rest of Africa operations (Botswana, Zambia) and lower procurement levels in the UK operations as a result of delayed projects.

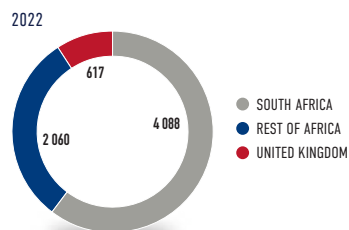
NUMBER OF EMPLOYEES



WORKFORCE BY BUSINESS UNIT FOR 2022



HEADCOUNT PER REGION (FY2022)



South Africa

The construction industry plays an important role in supporting job creation in South Africa. It is one of the few industries that has a higher employment share relative to its contribution to the gross domestic product (GDP), and contributes favourably to the employment of black youth.

Our total headcount in SA was reduced by 190 employees from 4 278 to 4 088 which included the retrenchment of 31 permanent staff. In total 86% of the SA workforce comes from previously disadvantaged backgrounds while female employees represent 16% of the total workforce (FY2021: 16%). In total 83% (FY2021: 83%) of female employees come from previously disadvantaged backgrounds.

Consistent with national trends, several employees have resigned to emigrate to other countries due to the perceived political and financial instability in South Africa.

Younger employees are also choosing work-life balance over the financial benefits offered, and due to the nature of our business, it is difficult to meet these expectations within the construction industry.

Rest of Africa

The Group's activities in the rest of Africa are mainly driven by opportunities from the mining and gas sectors. With lower activity levels in Botswana, Lesotho and Zambia, along with the continued suspension of Total's Area 1 LNG Project in Mozambique, our workforce in the region decreased to 2 060 employees in the year under review (FY2021: 2 168).

While the timing at this stage is unknown, work on Total's Area 1 LNG Project in Mozambique is expected to resume in the future. We are pleased to see activity on natural gas projects by Sasol gain traction in Temane, as this bodes well for the normalising of business activity in Mozambique.

When hiring employees in the rest of Africa, the Group seeks to employ citizens from local regions where possible as well as offer training opportunities that will allow them to enhance the skills they need for their employment. As a result, we have developed strong local teams across all of our African operations. At the end of the FY2022 financial year, 93% of the workforce in the rest of Africa represented citizens of the host country (FY2021: 92%).

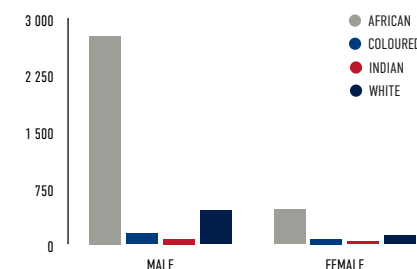
United Kingdom

While the UK has seen slower activity levels, the construction sector is still an important contributor to the country's economy. A decline in activity levels in the UK, characterised by stalled projects, contributed toward a reduction in the workforce of 47 people, from 664 to 617 employees overall.

We are continuously reviewing our remuneration policies to keep our packages market related, while also considering how we support our employees to have better work-life balance.

Looking ahead, the Group expects to enter a rehiring cycle in South Africa to balance the needs and capacity of the business and bolstered by a strong order book.

SOUTH AFRICA WORKFORCE DEMOGRAPHICS FOR 2022



We have seen a rebound in mining activity and a growing number of enquiries and potential bids in respect of industrial and mining infrastructure projects off the back of rising commodity prices. These types of projects form the bulk of the Group's work in the rest of Africa. In Ghana, we have seen positive activity from our mining clients, with new projects awarded in the year under review, and expect this trend to continue.

We have made good progress in securing opportunities in Tanzania, through the establishment of the Group's presence in the country, and are hopeful that the improved investment climate will spur business activity that will benefit our business and support employment opportunities.

LOCALISATION IN MAJOR AFRICAN COUNTRIES

98% BOTSWANA (FY2021: 96%)	98% GHANA (FY2021: 96%)	37% LESOTHO (FY2021: 94%)	80% ZAMBIA (FY2021: 89%)
89% MOZAMBIQUE (FY2021: 81%)	92% MADAGASCAR (FY2021: 91%)	100% TANZANIA	89% NAMIBIA

At Russell-WBHO, the effects of the Covid-19 pandemic coupled with the reduction in turnover contributed towards a reduction in the workforce of 40 people, from 205 to 165 employees.

The Byrne Group experienced 48 resignations during the year, with a voluntary staff turnover rate of 8.9%, which remains below the national average of 9.5%, reported by Cendex/XpertHR.

SOCIAL PERFORMANCE continued

TALENT MANAGEMENT AND RETENTION

Forging strong and lasting relationships with all employees is a major priority for WBHO. We understand that a healthy relationship with our people translates directly into productivity, efficiency and competitiveness for us as a business and we take our commitment to building these relationships seriously.

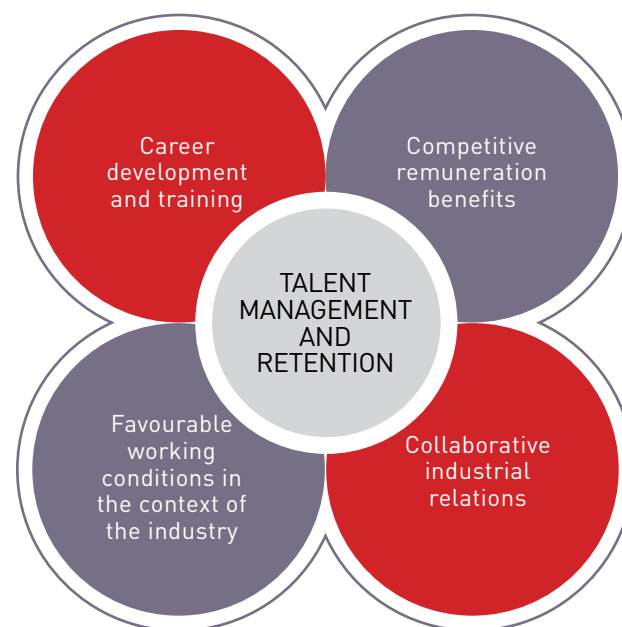
The accompanying infographic depicts the four cornerstones of WBHO's approach to ensuring our business is considered an employer of choice by cultivating a supportive working environment that promotes both the objectives of the business alongside the aspirations of our employees.

The talent pool of skilled and professional construction workers in South Africa has faced various challenges over recent years. The domestic, political and social environment combined with weak economic activity, particularly within construction markets, continues to create heightened levels of uncertainty. This has resulted in many construction skills leaving the country in search of security for themselves and their families.

The overall labour environment in the UK has seen shortages across a range of sectors, including construction, due to some European workers leaving the country post-Brexit. As demands on the sector increase in the medium to long term, more than a quarter of a million extra construction workers will be needed by 2026 in the sector more broadly.

At Russell-WBHO, although we were required to reduce staff during FY2022, we have maintained key experienced, skilled staff who share our company's values and future success of Russell-WBHO. Russell-WBHO is committed to future construction talent within our company and the construction industry. Within the Byrne Group, we continue to maintain and enhance the experience of our employees, as part of our efforts to retain and develop them in an environment where there is competition for talent in the UK and globally.

In times like these, it is critical to foster a rewarding working environment that meets the needs of our people and offers them the career development they seek. One of our strongest attributes in this regard is our culture. We also anticipate that the healthy growth in our order book levels will offer up-and-coming talent promising opportunities to shine.



Looking at factors affecting talent attraction for the industry more broadly, South Africa continues to face challenges in its school education system, notably in science, technology, engineering, and mathematics (STEM) subjects. Along the education "pipeline" there are problems affecting the next level – with low levels of performance in key subject areas, like mathematics and science, that are core to engineering and related fields. Government has recognised the dire state of mathematics and science education and is taking active steps to improve this. Interventions in this regard include dedicated investment intended to promote the teaching and learning of mathematics, science and technology in schools, while also implementing initiatives to motivate and encourage talented learners to pursue maths and science-intensive degrees.

Competitive remuneration and benefits

Remuneration is determined by management with reference to the remuneration policy and with oversight from the Remuneration committee, a subcommittee of the Board. WBHO offers an equal rate of pay to both male and female employees of equivalent experience.

The benefits that WBHO provide to its full-time employees include, at a minimum:

- Life insurance
- Healthcare
- Disability and invalidity benefits
- Parental leave
- Retirement provision

Additional benefits provided to eligible employees include:

- Travel allowances
- Subsistence allowances
- Share ownership
- Bonus incentives

WBHO endeavours to pay inflation-linked increases to all its employees when possible. Levels of inflation together with prevailing market conditions, affordability, shareholders' expectations and operational performance are the factors considered when determining appropriate increases.

In the current year, the Remuneration committee approved inflationary increases for senior management and executives within the African operations of 4.02% (FY2021: 4.2%). The average increase for the remainder of the employees in Africa was 6.5% (FY2021: 4.5%). Russell-WBHO granted a 3.75% increase for FY2022, while Byrne Group granted an increase of 5.7% for FY2022.

For a detailed discussion on remuneration, please refer to the comprehensive remuneration report included in the Integrated Report for 2022 as well as our remuneration policy which can be found on the website of the Group.

SOCIAL PERFORMANCE continued

Collaborative industrial relations

At WBHO, we are committed to supporting workers' rights to exercise their freedom of association and collective bargaining across all regions.

Collective bargaining

In South Africa, the Company is fully compliant with the Labour Relations Act that promotes and supports all levels of collective bargaining. We have recognition agreements in place with the National Union of Mineworkers (NUM) and the Building Construction and Allied Workers Union (BCAWU). The level of union representation increased during the year under review from 24% to 26%. Wage negotiations are conducted and concluded centrally at the bargaining council annually.

Negotiations on substantive matters within the civil engineering labour market take place at the industry level with the South African Federation of Civil Engineering contractors (SAFCEC) and the representative unions. This process covers the majority of the hourly-paid employees while the balance of our personnel is covered by various other bargaining councils and voluntary bargaining forum agreements. A total of 78% of employees in South Africa are covered by collective bargaining agreements. The current minimum wage for the industry in South Africa is R41,72 per hour (FY2021: R39,81 per hour). WBHO abides by the terms and conditions of the national wage agreement. To this end, no employee within the Group is paid below the national minimum wage of the industry.

Notice periods prior to the implementation of operational changes that could affect employees are specified in the collective agreements as follows:

- Four weeks' notice period if an employee has worked for a year or more.
- Two weeks' notice period if an employee has worked for more than six months, but less than a year.
- One week's notice period if an employee has worked for less than six months.

The existing wage agreement negotiated by SAFCEC will expire on 31 August 2024. A new three-year wage agreement was also concluded with the Gauteng Building Council during the year.

Employees in the United Kingdom do not form part of a central bargaining council. Employees may, however, join a union. Fees are paid by the individuals directly to the union. Membership lists are not maintained by the respective businesses.

Person days lost

"Person days lost" is the number of days lost due to strikes/work stoppages/non-attendance multiplied by the number of employees affected.

The total number of person days lost decreased from 84 756 to 13 839 primarily due to limited activity in Mozambique and the ongoing suspension of operations on various gas infrastructure projects for Total, due to terrorist activity. This also resulted in the person days lost in the Rest of Africa decreasing from 75 143 to 3 806 in FY2022.

The number of person days lost in South Africa increased from 9 613 to 10 033 due to 1 080 days being lost following the extensive flooding in KZN.

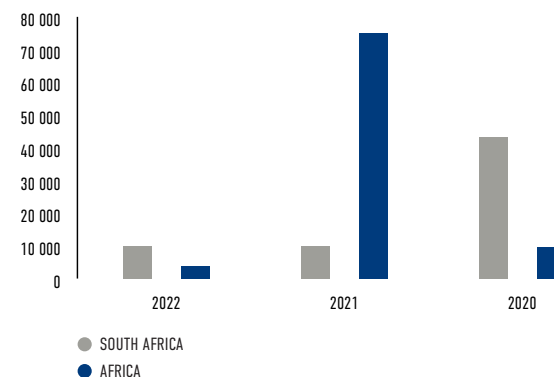
There has been little strike activity by the construction labour force in South Africa over recent years. With new wage agreements having been concluded within both building and civil labour markets. This trend is expected to continue. 62 days were lost to unprotected strikes this year compared to 508 in the prior year.

In previous reporting periods, we highlighted a rise in illegal work stoppages caused by community protests, and disruptions by taxi associations, business forums and local individuals. These work stoppages sometimes include an element of violence and intimidation which affects employees who wish to come to work and attend to their work duties. These disruptions have become commonplace within the industry.

WBHO has developed the necessary strategies and protocols to proactively deal with these events in a manner that causes the least interruption to business activities (refer to the 2022 Integrated Report for detailed information).

These interventions include early engagement with communities and business forums where possible, the appointment of a liaison officer, transparent tender processes for available work packages, and insistence on compliant business and tax registrations.

PERSON DAYS LOST FOR 2022



SOCIAL PERFORMANCE continued

Favourable working conditions within the industry context

Construction is by its very nature demanding, both physically and emotionally. WBHO is committed to providing employees with a safe and balanced working environment. Resignations within the industry can regularly be attributed to lifestyle choices due to the long hours often required to meet contractual programmes and committed deadlines as well as in some circumstances, cross-border secondments and travel.

As part of its employee engagement programme, WBHO manages its high-risk employees to support an appropriate work-life balance by monitoring the length of “out-of-town” engagements, and overtime levels as well as implementing mandatory rest and recuperation periods. In addition, the Group monitors the overall wellness of its employees through a variety of wellness interventions.

The Group defines avoidable staff turnover as the number of resignations in a year as a percentage of the average number of permanent salaried employees in that year. As a Group, we experienced a 29% decrease in resignations in FY2022 which contributed to the avoidable staff turnover rate decreasing from 12.7% to 9.7% this year. In South Africa, we saw a decrease of 3.9% in our avoidable turnover to 7.5% for FY2022. A total of 62 of the 107 employees who resigned in South Africa during the year were engineers, skilled people whom we regard as critical to the business. Nonetheless, we subsequently appointed 64 similar people during the year.

WBHO makes use of exit interviews in South Africa as a guideline to establish the main drivers behind why employees are leaving the business. Working conditions accounted for 77% of the reasons given for resigning and personal reasons accounted for 18%. Only 5% of employees that completed the interview suggested that remuneration was the reason behind resigning. 86% of employees felt that the business had a positive image and culture and 88% indicated they would return to work for WBHO in South Africa if their circumstances changed.

Employee wellness

WBHO is committed to the sustained wellness and personal growth of its employees. Due to the impact that the overall health of our staff can have on their own safety and that of their peers when engaging in construction activities, it carries even wider importance for the business. The Group follows a holistic and integrated approach to employee wellness, which includes collaboration with on-site occupational health services and enlisting the service of wellness experts. These wellness campaigns are centered on health issues identified by the occupational health services that are provided on site, including medically related issues such as illness management, diabetes and cancer awareness and general health management.

The wellness drive includes other behavioural issues that also have an impact on employee performance and raise awareness through education on substance abuse, the promotion of healthy eating habits, physical fitness, fatigue and stress management, mental health, financial fitness and maintaining a work-life balance. With the relaxation of Covid-19-related safety protocols, the annual WBHO Employee Wellness Programme in South Africa took place again this year.

In addition to the wellness campaigns, the Group conducts medical surveillance examinations which have the dual purpose of assisting with employee wellness as well as ensuring employees do not present a safety risk while on-site.

In Africa, HIV/Aids can have a significant impact on our business, our employees and the broader communities in which we operate.

HIV/Aids awareness programmes are designed to educate and increase the understanding of all employees by providing them with more information and possible support systems available. We actively encourage early testing, awareness and lifestyle changes. We have an HIV/Aids policy that advocates our commitment to confidentiality, and non-discrimination and to developing and implementing programmes for treatment and prevention.

We also conduct regular on-site HIV/Aids awareness, counselling and testing programmes. Further awareness is generated through our toolbox talks and posters that are distributed to sites and regional offices. With regard to treatment, we provide antiretroviral therapy to permanent employees through a medical aid scheme and managed healthcare provider. Non-permanent employees are provided with five counselling sessions before being transferred to state services.

WBHO offers a number of health services to its employees, including:

Africa

- ✓ Medical surveillance
- ✓ Annual medical fitness screening, which includes an HIV prevention training session and voluntary testing as well as a counselling session by a reputable medical service provider for any person testing positive
- ✓ Vaccinations for cross-border travel, which are managed in conjunction with a travel clinic
- ✓ Malaria prophylactics issued to any employee travelling into malaria areas
- ✓ Chronic conditions amongst employees are monitored and managed by the medical service provider.

UK

Byrne Group

- ✓ Hearing tests – safety-critical medicals
- ✓ Employee Assistance Programme – A 24-Hour helpline from Health Assured to support staff through any of life’s issues or problems. These include:
 - stress and anxiety;
 - consumer issues;
 - family;
 - work;
 - financial wellbeing;
 - childcare support;
 - relationships;
 - legal matters;
 - medical matters; and
 - alcohol and drug abuse.
- ✓ Occupational health surveillance

Russell-WBHO

- ✓ Drugs/alcohol testing
- ✓ Hearing tests
- ✓ Eye tests
- ✓ Dedicated mental health first aiders (including support from the Lighthouse Club)
- ✓ Annual occupational health assessments
- ✓ Flu vaccinations

SOCIAL PERFORMANCE continued



HUMAN CAPITAL CASE STUDY Byrne Group



STAMPING OUT THE STIGMA ON MENTAL HEALTH THROUGH INNOVATIVE USE OF TECHNOLOGY AT THE BYRNE GROUP

Even before the pandemic, mental health issues such as anxiety, stress, and depression were widespread, constituting a leading cause of diminished wellbeing.

The World Health Organization labelled employee burnout a medical condition in 2019, noting that its cause is chronic workplace stress.

Despite this, stigma on mental health persists both at home and in the workplace. One plausible reason for the stigma is the perception that conditions such as depression are less “real” than clearly physical ailments, moreover, the treatment of mental illness is often perceived as being taboo.

Using QR-code technology, the Byrne Group has designed a mental health card that allows employees to discreetly access information on the Byrne Group Employee Assistance Programme (EAP). Through this initiative, there has been positive take-up of the support provided through the EAP, a 24-Hour helpline from UK Health Assured to support staff through any of life’s issues or problems.

These include:

- | | |
|-----------------------|--------------------------|
| ✓ Stress and anxiety | ✓ Childcare support |
| ✓ Consumer issues | ✓ Relationship advice |
| ✓ Family issues | ✓ Legal information |
| ✓ Work advice | ✓ Medical information |
| ✓ Financial wellbeing | ✓ Alcohol and drug abuse |

SOCIAL PERFORMANCE continued

Career development and training

WBHO regards the training and development of our people as a cornerstone of our success. It is ingrained within the Company culture to ensure the long-term sustainability of our business. We continuously invest in tailored training programmes aimed at maintaining a competent and skilled internal talent pool from which future leaders can emerge, thereby enabling the sustainability of our Company.

Our substantial investment in tailored training programmes has resulted in a highly competent and skilled workforce to the extent that we are now confident that we have an internal talent pool that will enable the sustainability of our Company and from which new leaders are emerging.

Dictated by our training policies, our multifaceted core and non-core training programmes underpin real transformation within the Group. During the year under review, the policy was reviewed and no amendments were made to it.

Africa

Talent retention initiatives

As part of WBHO's policy of developing skills from within, the organisation has developed various programmes to support the development of employees in fields critical to the long-term sustainability of the business. Key amongst these are the Management Development Programme (MDP) and WBHO's Engineering School. The MDP is a formal training course designed to equip managers with the necessary competencies to implement the strategic objectives of the Group. In collaboration with the University of Stellenbosch Business School and aligned with the National Qualifications Framework NQF Level 6, the MDP provides managers with the opportunity to broaden their knowledge and understanding in the different fields of management and leadership, and to provide them with an alternative way of thinking and problem-solving. The programme consists of two study blocks, four assignments and a final group presentation.

WBHO has developed an Engineering School aimed at supporting the growth of graduate engineers through to senior management. The school consists of three levels that mirror the job requirements of engineers at each stage of their development. Engineers and quantity surveyors are required to maintain a logbook through which they can track their progress and development within the company. Retention of engineers and quantity surveyors is a focus area for developing future leaders, building a corporate culture and delivering on the needs of the business.

The Group works with the Engineering Council of South Africa (ECSA) to assist with the retention of engineering and quantity surveyors skills. The Group has registered qualified engineers who act as mentors with ECSA to assist our candidates to obtain the Professional Engineering (PR Eng) designation. Attaining this qualification is of tremendous professional value for the engineers and the financial and mentoring support successfully eases the difficulties that can be associated with this challenge. During the year under review, seven candidate engineers were successfully registered with the ECSA and one Candidate quantity surveyor was registered with the South African Council for the Quantity Surveying Profession.

In the current year, WBHO also focused on registering engineers and safety personnel with the South African Council for Project and Construction Management Professions (SACPCMP). An external mentor has been appointed to assist candidates with their registration process.

Six construction health and safety officers and two Professional Construction Managers registered with the South African Council for Project and Construction Management Professions (SACPCMP).

Training statistics	2022	2021
Total training and skills development spend (R'000)	78 928	87 979
Total black training and skills development spend (R'000)	55 659	64 365
Total employees trained	1 821	1 982
Average hours spent per employee	24	24
Average spend per employee (R'000)	43	44

The total investment in training for FY2022 amounted to R78,9 million (FY2021: R87,9 million) within the African operations. In FY2022, formal training remained directed toward management, artisanal skills and safety training interventions. The number of employees trained decreased from 1 982 to 1 821 employees, while the average training investment per employee also decreased to R43 345. Looking ahead, and as business prospects have become more favourable, we have increased our allowance for training in FY2023.



SOCIAL PERFORMANCE continued

Courses attended

Course	Description	Number attending		% Black 2022	Average R spend/ person 2022
		2021	2022		
Engineering School 1	This internal training and development course is focused on inducting operational employees to the policies, procedures, strategies, internal services, culture and structure of the Company. It is aimed at engineers, assistant site agents and junior and assistant quantity surveyors.	64	21	86	4 000
Engineering School 2	This course builds on the knowledge gained in Level 1, including <i>ad hoc</i> training, such as problem solving, presentation skills, and managerial and leadership training. It is aimed at more senior engineers; the course is more in-depth and focuses primarily on technical training.	–	25	60	6 000
Engineering School 3	This course includes training such as people management, managerial and leadership skills and the importance of responsibility and accountability. It is aimed at senior site agents, senior quantity surveyors and contracts managers.	–	38	45	25 000
Management Development Programme	This course equips participants to effectively implement strategic objectives, identify opportunities through innovation, and build management and leadership capabilities. It is aimed at Site Agents, Senior Site Agents, Quantity Surveyors and Senior Quantity Surveyors.	–	4	100	35 000
Senior Management Development Programme	This course equips participants with the business, leadership and change management acumen to cope with the changing business and organisational landscape. It is aimed at contracts manager and alternate directors.	–	3	67	54 000
Management Training	This includes training on contract law, project management, Construction Computer Software and construction regulations.	486	211	59	4 532
Artisan/skills Training	This includes various courses such as shutterhand training, concrete hand training and trade tests for plumbers.	60	51	82	5 466
Finance	Including training on financial life skills, cash flow and budgets.	11	2	50	5 294
Safety	Varied, including firefighting, first aid, legal liability, HIRA, working at heights, scaffolding, power tools, flagman.	1 080	1 099	88	1 258
Environmental	In-house environmental training.	19	–	–	–
Quality	ISO 9001:2015 Internal Auditor and QMS implementation, Building ISO 9001:2015 Internal Auditor and QMS implementation, building.	69	6	100	13 659

SOCIAL PERFORMANCE continued

Student bursary, learnership and apprenticeship programmes

WBHO's bursary scheme aims to secure a fresh intake of graduate professionals into the business each year. The scheme provides financial assistance to beneficiaries, enabling them to study on a full-time basis to qualify for a degree or national diploma at a recognised South African educational institution. Financial assistance covers expenses related to books, class fees, accommodation and general expenses. Beneficiaries are selected through a rigorous process where not only academic merit is considered, but specific emphasis is placed on learning potential and historically disadvantaged backgrounds, especially students without financial means. The focus of programmes is largely on scarce skills relevant to the industry such as engineering and quantity surveying.

Student bursaries, apprenticeships and learnerships awarded

	FY2022	FY2021
Total bursary spend (R'000)	6 063	3 635
Black bursary spend (R'000)	5 601	3 202
Total number of bursaries	44	57
Black bursaries (%)	70	79
Number of Bachelor of Science students	44	53
Number of National Diploma students	–	4
Number of students receiving in-service experiential training	5	7
Number of learnerships	37	38
Number of apprenticeships	7	12

WBHO regards the training and development of our employees as the cornerstone of our success and therefore we assist our employees in obtaining a formal qualification. WBHO offers learnerships and apprenticeships to our foremen, administrative staff, junior managers and earthmoving mechanics. These programmes are scheduled over 18 to 36 months and after completion, employees receive a formal qualification ranging from NQF 2 to NQF 4.

United Kingdom

At the Byrne Group we recognise and value our people as our most important asset. As such, we are committed to maintaining, and enhancing, learning and development programmes to enable our people to reach their full potential, and to ensure that we have a skilled and competent workforce able to deliver our business strategy. We provide the resources and environments, for learning and creativity, to assist our employees to achieve the highest standards of performance and to inspire innovation. We continually look to the use of technology, and our relationships with quality providers, to be able to offer a range of learning opportunities to all our employees. We also work with local authorities to support the employment and training and development of local labour on our projects. It is a fundamental principle to conduct our business in a responsible manner, ensuring we leave behind a local workforce which is more employable and skilled as a result of engaging with our projects.

At Russell-WBHO we are dedicated to the retention of all committed employees and have market leading staff retention rates. We use a number of measures to ensure this aim is achieved. This process starts on appointment via detailed induction and formal warm welcome to the business. Our open door policy is there to provide support and encouragement, both in the early stages of service and beyond.

Our annual Performance Development Review process allows for feedback on individual performance and identifies future training and development needs to enhance the employee's knowledge base as well as providing 360-degree feedback. Individual's achievements are acknowledged and appropriately rewarded in line with company pay salary bands and benefits. An annual award to the individual and project team who has contributed most to HSE is made at year end.

Talent retention initiatives

To retain and develop our future engineering workforce, the Byrne Group graduate scheme has been developed and recognised by the Institute of Civil Engineering (ICE). Our aim is that our graduates and higher apprentices will reach IEng or CEng status with the ICE upon completion of the scheme. In addition, the scheme supports the graduates to develop key technical and professional skills and provides an overall understanding of how the business operates. Throughout the three-year scheme, as well as spending time working in engineering teams on-site, graduates spend three-month rotations in other departments such as planning, health and safety and commercial. Our graduates are continually supported as they benefit from one-to-one coaching and mentoring with their Delegated Engineer. This support contributes to the achievement of chartered status with the ICE.

Training statistics	FY2022	FY2021
Byrne		
Total training and skills development (€'000)	59	63
Total employees trained	333	361
Average hours spent per employee	18	8
Average spend per employee (€)	179	180
Russell-WBHO		
Total training and skills development (€'000)	30	25
Total employees trained	198	220
Average hours spent per employee	10	7
Average spend per employee (€)	153	112

Student and graduate schemes

Russell-WBHO run a well-established five-year Building Student (apprenticeship) Programme. The Programme combines a fully-funded part-time construction degree at the University of Salford with on-the-job training with Russell-WBHO. Students undertake two years of rotations through all operational departments and experience Site Management, Engineering, Estimating, Design Management, Purchasing, Health and Safety, Quantity Surveying, and Building Services. They specialise from year three and qualify on completion of year five with a degree.

In support of the STEM Ambassador's Scheme (promoting careers in Science, Technology, Engineering and Maths) Ambassador's scheme, Construction Youth Trust and Women into Construction, which promotes these subjects and associated careers, Byrne Group provides a minimum of 50 hours of mentoring and coaching to young people and adults when visiting primary and secondary schools, colleges and career events.

	FY2022	FY2021
Russell-WBHO		
Total bursary spend (€'000)	44	54
Total number of bursars	25	23
Number of Bachelor of Science Students	25	23

SOCIAL PERFORMANCE continued



HUMAN CAPITAL CASE STUDY United Kingdom



GLOBAL RECOGNITION OF OUR PEOPLE-FIRST APPROACH

INVESTORS IN PEOPLE™ We invest in people Platinum

Over the last 30 years, investors in people has been the UK's leading standard for people management.

With over more than 50 000 organisations accredited, with recognition in 66 countries around the world, this accreditation is truly the global benchmark when it comes to people management.

The Group is proud that one of its UK-based businesses, Russell-WBHO, has attained Platinum status in this accreditation. This is the highest accreditation attainable by a company for supporting its employees' wellbeing, engagement, training, career progression and job satisfaction, particularly throughout the pandemic.

To attain this status, Russell-WBHO was rigorously assessed on how they are leading and inspiring people, rewarding and recognising high performance and building capability.

Paul Devoy, CEO of Investors in People, said that this recognition means that policies and practices around supporting people are embedded in every corner of the organisation.

He said: "In a platinum company, everyone – from the managing directors to the apprentices – know they have a part to play in the company doing well and are always looking for ways to improve."

"Platinum accreditation on We Invest In People is a remarkable effort for any organisation, and places a company with a host of organisations that understand and recognise the value of their people."

ACCREDITED
ORGANISATIONS

50 000

SOCIAL PERFORMANCE continued

HEALTH AND SAFETY

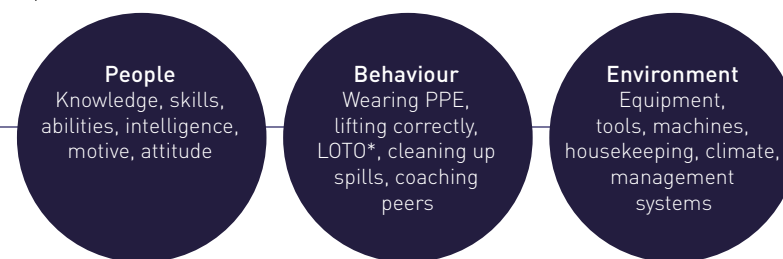
ENSURING ORGANISATIONAL HEALTH AND SAFETY (OHS) FOR ALL WHO WORK WITH US FORMS AN IMPORTANT PART OF WBHO'S SOCIAL, RELATIONSHIP AND INTELLECTUAL CAPITALS, AND WE UNDERTAKE OUR APPROACH TO IT IN TERMS OF OUR STRATEGIC OBJECTIVES OF SAFETY AND ENVIRONMENTAL MANAGEMENT AND REPUTATION AND RELATIONSHIPS. THIS APPROACH IS FOUNDED ON VISIBLE LEADERSHIP, RESPONSIBILITY, ACCOUNTABILITY AND COMPETENCE AND IS SUPPORTED BY CLEAR POLICIES AND PROCEDURES.



Strategic objectives	Strategic imperative
SO5	<p>As a contractor with an international footprint, operating across Africa, Australia and the United Kingdom, it is essential that WBHO holds itself to the very highest health and safety standards.</p> <p>Protecting the welfare of employees and subcontractors results in healthy morale and uninterrupted productivity. A proven safety record is imperative for the procurement of work within certain key markets, particularly mining infrastructure and the public sector.</p>
	Strategic initiative
SO5	<ul style="list-style-type: none"> • Implementation of global industry best practice • Accident and near-miss reporting • Effective and transparent incident management • Visible Field Leadership (VFL) initiative • Medical fitness programme • Training and awareness programmes • Safety Alert initiative
	Strategic imperative
SO3	<p>Our reputation has developed by delivering projects to the highest standards and providing an all-inclusive "quality experience". Our commitment to "execution excellence" is achieved by embedding our culture throughout our business in doing things "The WBHO Way".</p>
	Strategic initiative
SO3	<ul style="list-style-type: none"> • Proactive stakeholder engagement • Ethics programmes • Regulatory compliance programme • Corporate governance excellence • Entrenching culture among new employees

Health and safety: the strategic foundation

Our employees, suppliers, subcontractors, community and government are among our key stakeholders. In recognition of this, and in terms of our Group strategy, we are committed to their continued wellbeing when they are engaged or impacted on WBHO projects. WBHO management and supervisors foster a complete safety culture which impacts on all aspects of project planning and implementation. WBHO's Safety Culture focuses on the three elements of People, Behaviour and Environment.



A "safe system of work" requires all three elements to be deployed effectively. Of the three areas, the behaviour of people can have a significant influence on the level of risk for any given task. It is through developing a total health, safety and environment (HSE) awareness culture that we can focus on achieving our goal of an incident free workplace. By focusing on management leadership and employee involvement, WBHO is better able to manage HSE issues and the other key focus areas of workmanship, schedule and cost.

* Lock out Tag out.

HEALTH AND SAFETY PERFORMANCE AT A GLANCE

ALL OPERATIONS ARE
**ISO 45001
CERTIFIED**

* EXCEPTIONS: EAST AND WEST AFRICA

NEW RECORD LOW
**LTIFR
AND RCR
WITHIN THE GROUP**

SITES SUBJECT TO HEALTH AND
SAFETY AUDITS
AND INSPECTIONS

100%

WORK-RELATED
FATALITY

1

FY2021: 2

VACCINATION
RATE

98%

BY
30 JUNE 2022

SOCIAL PERFORMANCE continued

OUR OHS PHILOSOPHY

At WBHO, OHS is founded on seven pillars which underpin strong visible leadership and competence, supported by clear policies and procedures.

OHS policies
cascaded
throughout WBHO

Establishing
a culture of safety
supported by incentive
programmes
for lost-time
injury-free hours

Formalised risk
assessment
and mitigation
plans

**Reporting
and monitoring**
at senior
executive level

**Workforce
representation**
in safety and
health
management

Ongoing focus
on **training** and
**process
improvement**

OHS key
performance
indicators (KPIs)
incorporated into
**incentive
schemes**

A STRUCTURED APPROACH

Responsibility

The Board assumes overall responsibility for the occupational health and safety of our employees and stakeholders. Each operational managing director assumes responsibility for occupational health and safety within their individual business unit and on which they report to the Executive committee.

Risk Management

Health and safety forms part of the WBHO strategic risk management framework and is managed through the Risk committee.

Operational health and safety risks are identified through on-site risk assessments, root cause analyses of health and safety incidents, feedback from the VFL programme and Directors' Tours as well as the health and safety compliance audits conducted. Health and safety protocols and procedures are then updated with any relevant risk mitigation measures necessary.

Procedures and Assurance

We apply best practice when implementing our health and safety policies and procedures through the health and safety management system and we obtain external assurance on the legal compliance and effectiveness of the system.

The safety department obtains internal assurance of compliance with the system by the individual operations of the Group. No amendments were made to the occupational health and safety policy during the year in South Africa and the UK.

Monitoring and Reporting

The Group monitors and reports on all health and safety incidents, including high-potential incidents, near misses and observations. Persistent trends are identified and used to raise awareness and develop and implement health and safety initiatives and training continuously.

Compliance and Auditing

Quarterly compliance audits and regular inspections are conducted. Incidents are investigated and reported to the divisional Board meetings. These include high-potential incidents (HPI) as well as lost-time injuries (LTI). Incidences of fatalities are escalated to the Executive committee as well as the Board. In these feedback sessions, incidents are evaluated to ensure that prevention measures are identified and implemented throughout the business as a standard. Feedback on substandard audits and non-conformances are raised and actioned where applicable.

Performance overview

A health and safety intervention meeting is held each year with top management, at which we discussed the prior year's health and safety performance, future developments and new health and safety targets for the year ahead. Implementation of the initiatives are driven from the top down and performance is measured weekly and reported monthly.

SOCIAL PERFORMANCE continued

Health and safety governance

All health and safety procedures, management, reporting and recording are governed by a formal health, safety and environmental policy. Following an annual review, the policy was found to be fit for purpose and, as a result, no changes were implemented. In March 2022, a high-level meeting took place at which the Health, Safety and Environmental First interventions of FY2022 were reviewed for efficiency. New occupational, health and safety measures were added to ensure compliance as well as to improve the overall health and safety culture. One such important measure was to engage with subcontractors more frequently and to assist and guide them in implementing more effective HSE management systems, both for their benefit and for that of the Group.

Safety performance

The Group achieved its best ever safety performance in FY2022, reflecting the enormous progress and effort we continue to make to advance zero-harm.

Summary of our safety performance:

- ✓ Lost-time injury frequency rate (LTIFR) of 0.30 (FY2021: 0.39)
- ✓ Recordable case rate (RCR) of 0.27 (FY2021: 0.31) in the year.
- ✓ In particular, the African operations achieved a new record low LTIFR of 0.29 down from 0.36 in the previous period.
- ✓ In the UK the LTIFR improved from 0.75 to 0.32. The UK is legally subject to the "Reporting of Injuries, Diseases and Dangerous Occurrences Regulations of 2013" to measure lost-time in respect of reportable injuries, which utilises a different measurement framework to those used by the wider Group. The improvement in the current year reflects the further alignment of lost-time injury management within the UK operations with standard Group practice.

The Group recorded an all-injury frequency rate (AIFR) of 0.6 (FY2021: 0.79) per 100 000 hours worked. Root cause investigations are undertaken for all accidents and incidents and methods are developed and implemented to prevent similar incidents from recurring.

A focus on detailed safety risk assessments and stringent supervision of subcontractor health and safety management over recent reporting periods has contributed to the substantial improvement in the safety statistics within the South African building divisions. The VFL and Directors' Tours interventions continue to play an integral role in demonstrating the commitment from senior management to a proactive and hands-on approach to safety within the business that is led from the top down.

As part of these programmes, scheduled visits are conducted by members of senior management to evaluate sites from a health and safety perspective, giving constructive feedback to the project team and sharing good health and safety practices and initiatives implemented on other projects. In this way, senior management is seen to be leading by example, raising awareness of specific health and safety concerns. Unfortunately, one work-related fatality occurred in FY2022 (FY2021: two).

Managing health and safety

As a Group, we make every effort to provide and maintain a working environment that is healthy and safe and without risk to our employees. To this end, we have in place a well-established hierarchy of risk control as well as a well-defined set of actions to support our safety, health and environmental interventions.

The Safety First interventions were first developed in 2018 and get updated annually and include specific procedures and actions covering various aspects of health and safety management. In FY2021 and FY2022, environmental management was incorporated into this initiative and will continue to be reported on separately within this ESG report.

Policies to eliminate fatalities, reduce injuries and safety incidents

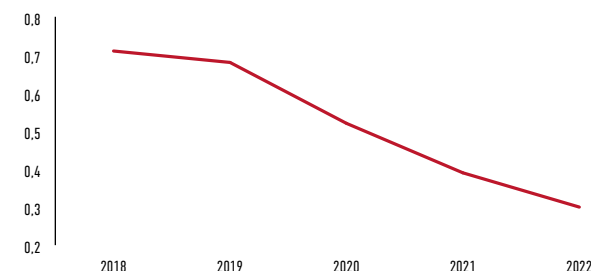
We strive for a work environment that emphasises safety and achieves 'zero harm', which means operating without fatalities and minimum lost-time injuries.

We also recognise that our Occupational Health and Safety (OHS) responsibility extends beyond WBHO employees and encompasses every stakeholder involved in one of our projects. We aim to create and maintain a safe, healthy work environment for all employees and contractors working on our projects.

WBHO OHS-related policies – addressing eliminating fatalities, reducing injuries and other safety incidents – are wide-ranging and encompass:

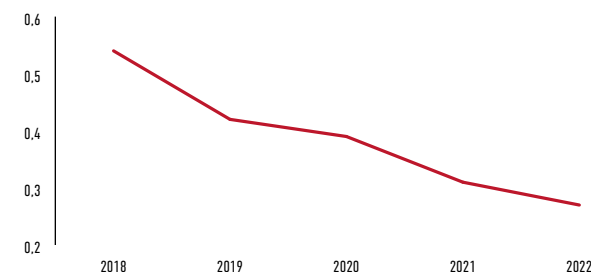
- ✓ Health and Safety Policy
- ✓ HSE Induction Policy, Safety Notice Policy
- ✓ Workplace Policy

GROUP: LOST-TIME INJURY FREQUENCY RATE



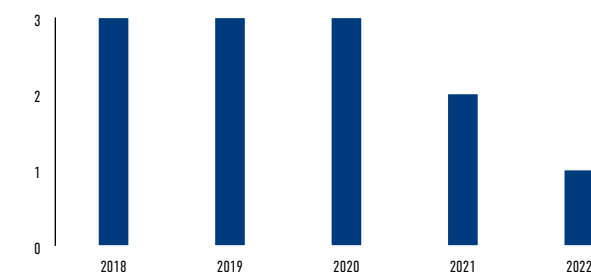
The LTIFR represents the number of injured persons booked off work for every 1 000 000 hours worked.

GROUP: RECORDABLE CASE RATE



RCR represents the number of medical treatment cases for every 200 000 hours worked.

GROUP: WORK-RELATED FATALITIES (Rm)



SOCIAL PERFORMANCE continued

HEALTH, SAFETY AND ENVIRONMENTAL (HSE) KEY INITIATIVES

Initiative	Objective	Action	Measure
1 HEALTH, SAFETY AND ENVIRONMENTAL ACCOUNTABILITY AWARENESS AND TRAINING	<ul style="list-style-type: none"> Clearly communicate legal roles and responsibilities to all HSE legally appointed staff in terms of the OHS Act, Construction regulations and Environmental legislation. Ongoing HSE awareness and training for all relevant members of the project teams. 	<ul style="list-style-type: none"> HSE training for all legal appointees. Monthly HSE Legal Awareness Campaign to obtain a better understanding of the legislation. Lessons Learnt – All incident investigations to be distributed to all operations of the Group. 	<ul style="list-style-type: none"> HSE Legal Liability training. Subcontractor legal appointees to complete HSE Legal Liability and HIRA training. Monthly HSE Legal Awareness distributed to all legal appointees. Lessons learnt to reach all legal appointees. The appointed Construction Manager CR 8(1) to sign off all HSE reports.
2 LEGAL APPOINTMENT PROCESS	<ul style="list-style-type: none"> Every legal appointee is competent to accept the appointment, have a thorough understanding of the OHS Act, Construction Regulation as well as relevant Environmental Legislation and understand their responsibilities in terms of the appointment. 	<ul style="list-style-type: none"> Each person who makes legal appointments shall discuss the contents, responsibilities and accountability of the appointment with the appointees. All in accordance with the WBHO Guidelines on Legal Appointments & Titles, document. The person making the appointments shall reasonably satisfy themselves of the appointees' competence. The above shall also apply to any contractor appointee on the project. 	<ul style="list-style-type: none"> Appointment interviews must be recorded and filed by the person who makes the legal appointments and will be monitored through scheduled audits.
3 RISK IDENTIFICATION AND MITIGATION PROCESS	<ul style="list-style-type: none"> Implement a risk review process that is developed from first principals. Continuous review of risk plans for existing projects without using existing risk assessments i.e. encourage proactive thinking and a culture that values safety as much as production and profit as well as recognising the ever-changing risks on a project. New employees, new tasks not previously performed and monotonous work activities. Waste management practices are implemented, seeking to reduce, reuse and recycle waste before disposal to landfill. Only water sourced from legal sources to be used for construction purposes on WBHO projects. 	<ul style="list-style-type: none"> Risk review pre-plan to be developed in conjunction with project programme and commercial start-ups to be led by the appointed CR 8(1). As part of the project pre-plan, include a section for HSE. Projects required to have an updated (reviewed) HSE Baseline Risk assessment (BRA) process in place and managed by the Construction Manager CR 8(1). Risk assessment process shall include HSE Representatives and key workforce team members and contractors. Planned Task Observations will be done for new employees, new tasks not previously performed and monotonous work. Minimise Environmental impact through proper hazard and risk identification process. Project management team to ensure legal water sourcing as per the Sourcing of Water Checklist. 	<ul style="list-style-type: none"> All projects shall review and maintain the project HSE Baseline Risk Assessment during the project life cycle. New employees, new tasks and monotonous work shall be identified during the Safe Start Meeting and Legal appointee Supervisor shall conduct PTOs on these until reasonably satisfied that the tasks are understood and the risk are reduced for injuries to occur. Divisional CHSM's will conduct scheduled audits and feedback will be send to the Divisional MDs.

SOCIAL PERFORMANCE continued

HEALTH, SAFETY AND ENVIRONMENTAL (HSE) KEY INITIATIVES

Initiative	Objective	Action	Measure
4 DEVELOPING A HEALTH, SAFETY AND ENVIRONMENTAL FIRST CULTURE	<ul style="list-style-type: none"> Leadership to demonstrate commitment to safety by leading weekly project walks with all stakeholders. VFL process is a WBHO standard. Start each week with safety. Minimise the impact of WBHO's activities on the environment. 	<ul style="list-style-type: none"> Weekly HSE Site Walk to be concluded towards the end of the week, and led by appointed Construction Manager 8(1). Walk to include Assistant Construction Managers CR 8(2), Construction Health and Safety Officer's (CHSOs) CR 8(5) appointees and contractor's legal appointees. Appointed supervision CR 8(7)/8(8) to participate in the walk when their sections are reached. Managing Directors (MDs) to attend walks when on-site. Each MD to conduct a VFL when on-site walk on a project within his division. Each Contract Director to conduct monthly VFLs on projects under his control. Each project will start the week with a morning Safe Start meeting. Where cranes are in use, a separate meeting with crane operators, banksmen and riggers will be held to plan the week's activities. 	<ul style="list-style-type: none"> CHSO to record notes of walk to be included in project safety meetings. Weekly HSE Site Walk and Weekly Safe Start Meeting information will be sent to the Contract Directors and Divisional MDs by the appointed Construction Manager. Notes from the Weekly Safe Start Meeting to be circulated within 24 hours. Project CR 8(1) will respond to the VFL owner and close out any deviation, which was found.
5 IMPROVING INCIDENT INVESTIGATIONS (NEW)	<ul style="list-style-type: none"> All HSE incidents are to be investigated. Improve incident investigation process. Improve quality of initial documents and incident investigations. Focus on reducing hand, leg, knee, ankle and foot injuries. Reduction relating to wastage of resources, i.e. water. 	<ul style="list-style-type: none"> Incident close-out reports to become a "knowledge sharing" platform for individuals to comment. Flash reports and incident investigations must be reviewed and approved by the appointed Construction Manager CR 8(1) before being sent out. Root causes must be identified and effective measures put in place to prevent similar incidents. Where supervision was not at the workplace at the time of an incident, a root cause analysis must be conducted to determine the cause. Supervisors to give a toolbox talk to the project after an incident occurs in their area of responsibility. 	<ul style="list-style-type: none"> Interactive HSE communication process – constructive criticism on investigations is to be encouraged. All HSE incident documents shall be signed off by the appointed Construction Manager CR 8(1) before it gets sent out. LTIs and HPIs presented by the Construction Manager CR 8(1) to the divisional board. LTIs and HPIs caused by a contractor, will be presented by the senior management of the contractor to the divisional board. Fatalities presented to EXCO by project management team.
6 MANAGEMENT OF CHANGE AND CONTINUOUS RISK ASSESSMENT (CRA)	<ul style="list-style-type: none"> Preventative Management of Change. Improve overall management of the Management of Change process. Monitor effectiveness of operational Management of Change processes. Monitoring and on the job training of new or unfamiliar employees. 	<ul style="list-style-type: none"> Job Safety Analysis (JSA) will be completed and discussed with the team by the appointed Supervisor of Construction Work CR 8(7) or in his absence the Assistant Supervisor of Construction Work CR 8(8) before the work starts. If the task, hazards or risks change during the day, the CR 8(7)/CR 8(8) will revise the JSA, before work continues. Directly after lunch, a compulsory evaluation will be conducted by the appointed CR 8(7)/CR 8(8) to ensure the same task, hazards and risks exist for the afternoon shift. Where changes in the task, hazards or risks are identified, the CR 8(7)/CR 8(8) will amend the JSA and communicate the changes to the team before work starts. The CR 8(7)/8(8) are required to complete Planned Task Observation (PTO) for different tasks as per the project PTO schedule. CR 8(1) and CR 8(5) will be responsible for developing a PTO schedule based on the identified risks of the project and to implement and monitor the PTO schedule. New employees must be placed in a team where they can be mentored until they are familiar with the site conditions and tasks. 	<ul style="list-style-type: none"> CR 8(2) to review and sign the JSA when visiting the area under his/her control. CR 8(1) to sign the JSA when he visits the area, check the identified hazards and risks and make comments where needed on the JSA and communicate to the team. CR 8(5) CHSO to visit the areas, sign each JSA before entering the area and check the identified hazards and risks and amend where needed. Any changes are to be communicated to the team. CR 8(1) to ensure all legal appointees are trained in conducting JSAs. CR 8(7) to ensure PTOs are performed on new employees, monotonous work, new tasks and high-risk activities. CR 8(1), 8(2) and 8(5) are to monitor compliance with PTO schedule.

SOCIAL PERFORMANCE continued

HEALTH, SAFETY AND ENVIRONMENTAL (HSE) KEY INITIATIVES

Initiative	Objective	Action	Measure
7 SUBCONTRACTOR AND SUPPLIER MANAGEMENT	<ul style="list-style-type: none"> Improve subcontractor compliance with legislation. Improve overall HSE. Ensure subcontractors have the necessary skills and resources to perform the work safely. Only low-risk, registered waste service providers are to be appointed. 	<p>Each appointed CR 8(1) with his appointed CR 8(5) will ensure the following:</p> <ul style="list-style-type: none"> Provide contractors, with client HSE specifications. Subcontractors to make sufficient provision for HSE measures. No subcontractor is to be appointed unless the competencies and resources to perform their scope of work safely can be proven. Subcontractors are to be in good standing with the compensation fund or with a licensed compensation insurer. Appoint each subcontractor in writing for their scope of work. Take reasonable steps to ensure that each subcontractor's health and safety plan is implemented and maintained. Monthly site audits and document verification to be undertaken. Prevent any subcontractor from executing work who is not compliant or who poses a threat to the safety of persons. Where changes to the design and/or construction occur, provide sufficient health and safety information and resources to execute the work safely. Approve the health, safety and environmental plan of each subcontractor before they commence work. All employees are to have a valid medical certificate of fitness. Complete Service Provider Evaluation Form after project for each waste service provider. 	<ul style="list-style-type: none"> HSE contractor Selection Questionnaire for each contractor is completed. This will be audited by the divisional CHSM's monthly. The Construction Manager CR 8(1) will ensure a Mandatory Agreement Section 37(2) (for all RSA projects or where RSA legislation is used as good practise) are completed and signed by the contractor and himself before the contractor is allowed to start work. The Construction Manager CR 8(1) will ensure a completed Waste Management Checklist & Service Level Agreement prior to appointing service providers are signed off and service providers are evaluated at the end of the contract. Monthly contractor Audit results and the management of deviations are conducted by the CHSO on all contractors. Divisional CHSM will audit as per schedule and send results to divisional MD and Group HSE Manager.
8 WASTE MANAGEMENT AND WATER, ELECTRICITY AND FUEL CONSUMPTION	<ul style="list-style-type: none"> Monitor and accurately record and report all waste figures, water, electrical and fuel consumption to establish an accurate baseline for future target setting. Limit wastage of water and fuel to reduce our impact on natural resources. 	<p>The Construction Manager CR 8(1) with the assistance of his management team will ensure that:</p> <ul style="list-style-type: none"> Alternative waste management practices are identified (i.e. reclamation/ recycling centres; reuse for waste, etc.). Adequate resources are available on site to ensure that identified waste management practices are implemented. On-site specific training for all responsible parties to ensure that the requirements of the identified waste management practices are implemented. Water conservation initiatives on site are implemented (e.g. awareness posters; toolbox talks). Alternative dust suppression methods are investigated and implemented where feasible. Implement energy conservation initiatives (e.g. awareness posters; toolbox talks). Investigate the use of alternative energy resources where feasible (e.g. LED lighting). 	<ul style="list-style-type: none"> Construction Manager CR 8(1) shall sign off on monthly HSE Report. Sites to measure reduction of generated waste from landfill through recycling or reuse where possible. Appropriate mitigation measures are in place on all sites through regular Inspections and periodic audits in line with project risks. Monitor resource conservation initiatives on all objects and offices (e.g. awareness posters; toolbox talks). Monitor alternative dust suppression methods where feasible.

SOCIAL PERFORMANCE continued

HEALTH AND SAFETY RISKS

Key health and safety risks identified this year included:

- ✓ Subcontractor safety standards and non-compliance across all operations
- ✓ External threats to employees in respect of community unrest
- ✓ Material, scaffold and shutter handling to hands
- ✓ Manual handling
- ✓ Slips and falls
- ✓ Working at heights
- ✓ Edge protection – design
- ✓ Slinging equipment
- ✓ Falling objects and falling
 - Underground and overhead services
 - Mobile plant
 - Traffic management
 - Excavations

INCIDENT MANAGEMENT

All health and safety incidents are reported to the appointed construction health and safety officers on each project as well as in the office environment. All incidents are investigated to determine the root causes.

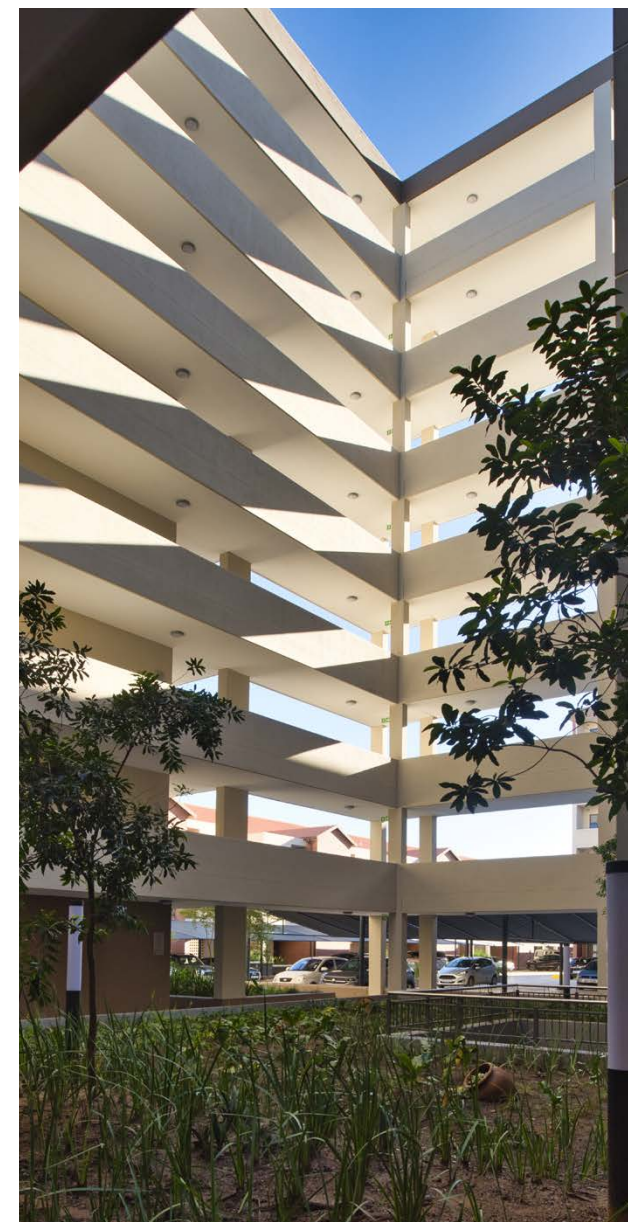
This information is collated into an incident register from which trends and areas for improvement are identified. This information is used to distribute health and safety alerts and inform the training and awareness initiatives to be implemented.

Trends causing accidents that were identified this year include:

- ✓ Machinery and plant incidents
- ✓ Material handling
- ✓ Struck-by and struck-against incidents
- ✓ Shutters and scaffold incidents
- ✓ Falling incidents
- ✓ Temporary works
- ✓ Subcontractor non-compliance
- ✓ Dust and eye-protection
- ✓ Working at height
- ✓ Tethering of equipment

As a result, we introduced improvements on current projects, and implemented the following steps in order to mitigate the identified risks:

- ✓ Onboarding of contractors are more involved to ensure compliance from the start of projects.
- ✓ Regular audits and monitoring of contractors.
- ✓ Identifying struggling contractors and assisting and monitoring them closely.
- ✓ Private Investigating specialist contracted to assist in identifying high-risk areas and communities and to manage the risks effectively.
- ✓ HSE Interventions are concentrating on individual behaviour as well as placing new employees with experienced employees to coach the new employees and to look after the new employees.
- ✓ A high-level delegation of top management was involved to revise and to improve on the HSE Intervention Document. These 2022 interventions were rolled out to all divisions and projects and top management is the driving force behind the implementation of the interventions.
- ✓ Designer Assessments to assess design capability and competence (specific to the Byrne Group).
- ✓ Edge Protection designed for each application and remove a generic SG1 design. This included awareness training relating to the use of netting and the wind factor load added to edge protection (specific to the Byrne Group).
- ✓ A new mental health card was produced to allow individuals to discreetly access information on the Byrne Group Employee Assistance Programme (EAP).



SOCIAL PERFORMANCE continued

HEALTH AND SAFETY AWARENESS

In line with our drive to achieve a work environment of “zero harm” – which means operating without fatalities and the minimum of lost-time injuries – we continue to use the WBHO safety “alert” programme to disseminate important health and safety information to employees across the Group. These alerts are based on trends and cases from across the industry, as well as from our sites, and are proving an effective means of sharing and learning from mistakes, accidents and near misses – particularly on safety incidents. The following safety alerts were created and circulated during the year:

PROMOTING HEALTH AND SAFETY	Alerts issued during FY2022
Covid-19 – Legislation changes	Updating employees on changes to Covid-19 public health regulations across various jurisdictions, and the impact of these changes on WBHO’s operations.
Occupational Health and Safety Act (OHS) changes	Changes to Section 7 of the OHS Act, which will require businesses to develop a Safety Management System to optimally manage health and safety.
Mine Health and Safety (MHS) Act changes	Apprising employees of Proposed amendments to the Mine Health and Safety Act
High Potential Incidents (HPIs)	Several safety alerts were issued on safety HPIs (also defined as “near misses”) experienced across the Group. These include incidents where: <ul style="list-style-type: none"> ✓ A pre-cast column knocked over with a mobile crane ✓ A mobile crane rolled down an embankment
Lost Time Injuries (LTIs)	Safety alerts were issued on LTIs (Lost Time Injuries), which are injuries sustained by an employee that leads to loss of productive work in the form of absenteeism or delay. <p>In FY2022, the LTIs that were reported on in the safety alerts include:</p> <ul style="list-style-type: none"> ✓ A fractured tibia (shinbone) experienced by an employee ✓ A burn incident at a Group entity – Tekfalt Binders, a manufacturer and supplier of bituminous products
Malaria	In FY2022, we issued alerts on malaria and other tropical diseases in affected areas where we have projects.
Fatal (loss of life) notification	In FY2022, the Group sadly experienced one fatal incident. Mr Yongama Gwe, a subcontractor employee, succumbed to his injuries from a work-related incident in South Africa.
“Brother’s Keeper” – keeping each other safe	Our “Brother’s Keeper” principle promotes shared accountability amongst colleagues on looking after the safety of each other. In FY2022, the Group reinforced this principle through safety alerts.
Weather	In FY2022, we issued several alerts detailing the challenges associated with operating in extreme weather events – such as inclement weather in the UK, and heatwaves in the Africa region – and the impact on operations and potential mitigating actions.
Mental health	Recognising mental health as an essential part of our commitment to employee well-being, we issued alerts geared to create awareness and break the stigma of mental health issues. <p>Alerts, particularly in the United Kingdom, were issued on:</p> <ul style="list-style-type: none"> ✓ Suicide Prevention Day 2021 ✓ World Mental Day 2021
Vehicle safety	Operators of construction vehicles and motor vehicle drivers were encouraged, through a safety alert, to ensure that vigilance around the risks of on-site and off-site vehicle collisions.
End of year safety drive	Safety performance is typically at risk towards the end of the year, as employees experience fatigue. During FY2022, we issued safety alerts to encourage vigilance on safety during the annual “Christmas shutdown” or festive season period.
New coding for slings at Byrne Group	In FY2022, the Byrne Group in the UK implemented new coding for its slings, to indicate the working load limit on each sling. Alerts were issued to educate employees about this intervention.
Electrical-related risks	Safety alerts were developed for a number of electrical-related risks, including: <ul style="list-style-type: none"> ✓ The safe use of generators ✓ Overheard electric powerline safety
Safety vigilance	Recognising the need for safety vigilance in a number of contexts, safety alerts were issued on: <ul style="list-style-type: none"> ✓ mobile elevating work platforms (MEWPs) ✓ unsafe use of ladders ✓ fall from heights ✓ hand injuries

SOCIAL PERFORMANCE continued

INDUCTION PROGRAMME

All employees, contractors and visitors to any project across all operations of the Group are required to complete an induction process. Visitors will generally complete a simplified induction and are escorted by a site representative at all times while on site. Moreover, no physical work may be conducted during a visitor's induction.

In South Africa, we introduced facial recognition systems in order to manage access control more effectively. We envisage that this tool will be linked to valid inductions as well as medical certificates of fitness. Russell-WBHO is currently using an online offsite induction process that enables physical distancing and saves management time.

In the UK, employees at both the Byrne Group and Russell-WBHO have new starter inductions during which they are briefed on the respective safety policies and other relevant health and safety information.

COVID-19 RESPONSE

From the onset of the pandemic, the Group developed the necessary Covid-19 policies and procedures in each region of operation appropriately aligned with the relevant legislation. These policies and procedures were regularly updated throughout FY2021 and FY2022 as events evolved. The primary aim of these policies is to implement the necessary prevention measures to limit infection, to specify procedures in the event of positive cases occurring in the workplace, and to ensure legislative compliance.

The key guidelines within the policies consisted of the following:

- ✓ Mandatory screening of employees and all other site personnel
- ✓ Mandatory sanitising on entry
- ✓ Social distancing measures
- ✓ Enhanced cleaning and sanitation regimes especially in high traffic areas
- ✓ Tracking and tracing protocols in respect of positive cases
- ✓ Mandatory self-isolation pending receipt of a positive test or close contact with a positive case
- ✓ The transport of infected people to healthcare facilities dealing with Covid-19 cases
- ✓ Guidance for employees with comorbidities
- ✓ Work-from-home protocols
- ✓ Communication and education
- ✓ Mandatory vaccination programme

In South Africa, Covid-19 restrictions have been revoked and replaced with a Code of Practice for managing Covid-19 in the workplace. This Code of Practice places the management of Covid-19 in the workplace with the employer based on a risk assessment conducted to identify the risks associated with the spread of Covid-19.

The Omicron variant that emerged in October 2021 caused the UK Government to implement Plan B measures with a surge in booster vaccinations. The UK legal requirement to self-isolate was removed at the end of February 2022. Voluntary guidance now "advises" people with Covid-19 not to attend workplaces.

We are particularly pleased that the Group has achieved a 98% vaccination rate, with the management team leading the charge in encouraging employees to protect themselves, their colleagues and loved ones through vaccination.

SAFETY ASSURANCE

In South Africa, we retained our ISO45001 certification for all operations. The safety assurance teams conduct regular project audits throughout the reporting period across all regions.

In the UK, the Byrne Group and Russell-WBHO operates an Integrated Management System (IMS) that is accredited to ISO45001, ISO9001 and ISO14001 and is focused on planning and management from the project design conception onwards.

These audits test the legal compliance of projects insofar as it relates to safety as well as operational compliance with the safety management system of the Group. The table below provides information on the number of audits conducted, together with the number of non-compliance findings, the number of sites using the safety management system (SMS) and the percentage of sites audited in the current reporting period.

At Russell-WBHO in the UK, Covid-19 restrictions affected Director Safety Tours although site audits continued with regular site visits and audits being conducted. The Byrne Group continued to conduct audits in line with the previous year. In Africa, the increase in audits was attributed to the gradual easing of restrictions.

Safety assurance

	Africa		United Kingdom			
			Byrne Group		Russell-WBHO	
	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021
Number of audits	202	110	25	23	49	186
SMS coverage (%)	100	100	100	100	100	100
Audit coverage (%)	100	100	93*	100	100	100
Number of major non-compliance findings	19	41	1	–	15	54

* 1/14 projects were not audited as it was a 'labour only' contract, which is the only reason audit coverage was not 100% in 2022.

SOCIAL PERFORMANCE continued

SAFETY TRAINING

Training courses, spend per person and attendees are described in the table below:

		FY2022		FY2021	
Course	Description	Number of attendees	Average R/£ spend/ person	Number of attendees	Average R/£ spend/ person
AFRICA					
Safety	Includes firefighting, first aid, legal liability, working at heights, scaffolding and power tools	1 099 88% black	1 258	1 080 90% black	1 148
UNITED KINGDOM					
Byrne Group					
Health, Safety and Environment Training	Traffic Marshall, Temporary works, Safety Awareness, Slinger, Appointed person, IPAF, Mental health, PASMA, Wah, etc.	256	150	825	139
First Aid/CPR	First Aid and Requalification	22	253	55	150
Incident Investigation	In-house or external specialist	–	–	8	–
CSCS Test	Site card and test	78	21	136	21
CPCS Test	Plant	17	28	30	25
SSSTS	Site Supervisor	16	251	20	250
SMSTS	Site Manager	20	409	41	365
NVQ Training	Concrete pump, Lifting, Construction Management	16	1 152	37	1 000
Russell-WBHO					
Management training	SMSTS	3	495	4	452
	SMSTS refreshers	6	250	14	264
	SSSTS	10	245	1	245
	SSSTS refreshers	1	165	–	–
	First Aid at work	8	315	7	315
	First aid refreshers	16	230	24	230
	Appointed persons course	2	925	3	925

Course	Description	FY2022		FY2021	
		Number of attendees	Average R/£ spend/ person	Number of attendees	Average R/£ spend/ person
Management training	Appointed person practical/theory re-sit/ refresher	1	395	–	–
	Scaffold inspection/management	18	177	7	–
	Fire risk management	–	–	3	–
	H & S awareness	5	115	2	125
	IPAF	5	195	1	190
	IPAF MEWP for managers	15	95	26	95
	PASMA	7	110	3	120
	Mental Health First (two-day course)	4	250	3	217
	SEATS (Site Environmental Awareness Training Scheme)	1	158	–	–
	Temporary works co-ordinator	20	190	–	–
	Temporary works supervisor	–	–	1	246
	Emergency first aid	–	–	1	140
	Asbestos – P405	–	–	–	780

SOCIAL PERFORMANCE continued

WORKERS' REPRESENTATION AND FREEDOM OF ASSOCIATION

WBHO's commitment to employees' rights to representation and freedom of association relates to our support of the United Nations Global Compact (UNGC) Principle 3, and forms an integral part of our social and relationship capital. WBHO does not tolerate discrimination and also upholds the rights of its employees to freedom of association. Potential employees are also advised of their rights in this regard.

We consult with employees in advance of any significant operational changes and we consult with unions with the aim of reaching agreement. Negotiations on substantive matters take place at industry level with the South African Federation of Civil Engineering Contractors (SAFCEC) and the representative trade unions. While health and safety topics are not covered in formal agreements with trade unions, all of our employees enjoy representation on formal joint management-worker health and safety committees, which operate within a well-defined framework. In South Africa, there is a monthly union-management meeting chaired by the Group HSE Manager and represented by senior union members working for WBHO.

Each project is required to have monthly on-site HSE management meetings with HSE representatives who represent the workforce, with the Safety committee meeting chaired by the Construction Manager. Weekly Toolbox Talks are also held with all employees, where they have an opportunity to raise any health and safety concerns.

In the UK, Byrne Group's monthly and quarterly senior leadership team meetings are attended by our site supervisors, project engineers, project managers, safety managers and construction managers that constitutes a forum for discussing incidents, learning, best practice and areas for improvement. All the project directors attend these quarterly meetings, and the meeting is chaired by the Managing Director.

In total, 100% of our workers are represented by formal joint management worker health and safety committees. Control of substances hazardous to health (COSHH) assessments are conducted for each product used on site with regard to Silicosis, Covid-19, Lyme Disease and Asbestosis.

At Russell-WBHO the legal requirements under The Health and Safety (Consultation with Employees) Regulations 1996 are fully met. To enhance compliance, the Workwise app is utilised which affords anyone affected by Russell-WBHO projects the ability to communicate with the senior management structure, and in turn the senior management structure to implement any identified improvements resulting from consultation with the workforce overall.

LOOKING AHEAD

With a record performance in safety in FY2022, the Group continues to make progress in living up to its commitment of "zero-harm". Improving our safety performance remains a priority going into FY2023 and beyond.

Effective audits play an important role in encouraging safety improvement across operational sites. WBHO is exploring ways to make better use of technology-based solutions, which have the benefit of reducing the administrative burden on operational sites. The Group will continue its focus on engaging subcontractors on its health and safety interventions.

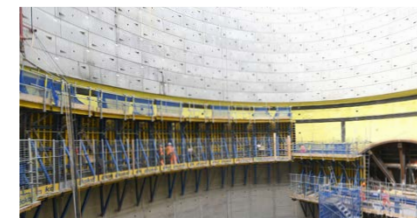
In the UK, new objectives for the Byrne Group for the next two years include:

- ✓ Reduction in LTIFR, TCR and AFR.
- ✓ Mental health briefings and training.
- ✓ OHS audit findings closed out within four weeks.
- ✓ Provide training modules to meet the requirement of the business.
- ✓ Integration of Fieldview software to digitise the OHSE business.

For Russell-WBHO, the key focus areas for the year ahead include:

- ✓ Continuing out accident and near miss reduction initiatives.
- ✓ Enhancing the implementation of construction, design and management (CDM) within our preconstruction teams.
- ✓ Deeper engagement with commercial teams to enhance knowledge of their duties under CDM.
- ✓ Cooperation with commercial teams to assist in meeting level 3 compliance with the Royal Institution of Chartered Surveyors (RICS) accreditation.
- ✓ Working with subcontractors to deepen knowledge and cooperation in best practices.
- ✓ Further expand and develop our Mental Health programme.
- ✓ Reduction in identified summer incident trends.

A NEW SAFETY REGIME ON THE HORIZON IN THE UK: BUILDING SAFETY BILL



The UK government's Building Safety Bill received royal assent on Thursday 28 April 2022. Following months of debates and tabled amendments, the Building Safety Act 2022 is intended to 'create lasting generational change' to the way in which high-risk and high-rise residential buildings are both constructed and maintained.

The Building Safety Act 2022 will enshrine in law the Building Safety Regulator at the Health and Safety Executive who will provide oversight of the new system with powers of enforcement and sanction. A Construction Products Regulator will also have powers to remove dangerous products from the market. In addition, a New Homes Ombudsman scheme is going to provide independent redress for new build property buyers who have issues with either their new home or its developers.

The Building Safety Act will also look to implement a raft of new measures designed to protect leaseholders from the costs of historic building safety defects. A new 'waterfall' system will be established to dictate who is responsible for the funding of cladding and non-cladding related remediation. This includes a change to the Defective Premises Act 1972 (DPA) for construction defects that render a dwelling unfit for habitation.

The Act will now more than double the limitation period from 6 to 15 years from the date of completion of the building. It also amended the limitation period to 30 years for cladding issues. Both the 15 years and 30 years limitation periods are retrospective in respect of claims under s1 of the DPA from the date of the Act coming into force (expect two months after Royal Assent).

Furthermore, the Act is going to enshrine in law the new 'golden thread' of information for the storage and dissemination of all safety-related matters in the design and construction of high-risk and high-rise residential buildings. In addition, there are new requirements being placed on duty holders to have clear accountability and statutory responsibilities as buildings are designed, constructed and refurbished.

The Group, through its operating businesses in the UK, is keeping abreast of these developments.

SOCIAL PERFORMANCE continued

QUALITY MANAGEMENT

QUALITY MANAGEMENT IS INTEGRAL TO OUR STRATEGIC OBJECTIVES OF PROCUREMENT AND EXECUTION EXCELLENCE AND REPUTATION AND RELATIONSHIPS.

Strategic objective	Strategic imperative
SO2	Our goal is to minimise the negative impact of the construction processes on the natural environment and the community at large, while maximising the quality of the built environment for future generations.
SO3	

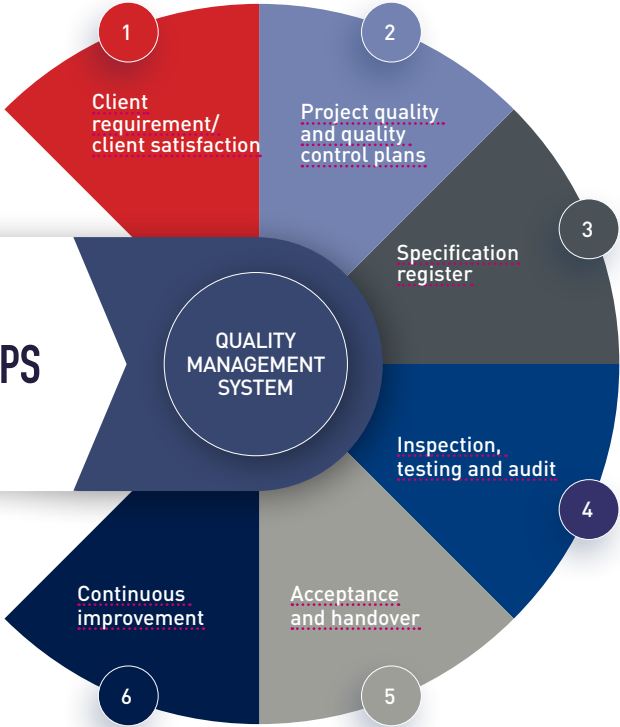
THE STRATEGIC FOUNDATION

The aim of quality management is to ensure that the highest levels of quality are consistently attained on all projects by using the best and latest construction practices within the core activities of the Group. By continuously improving and evolving our processes in a collaborative way, we ensure compliance with our own internal standards as well as external specifications, thereby enhancing client satisfaction.

THE STRATEGIC FOUNDATION

- Quality management systems and procedures implemented throughout WBHO
- Ongoing quality assessment of key systems and processes by WBHO's quality department
- Quality audits and inspection conducted on key suppliers and manufacturers
- Independent certification of quality management systems
- Reporting and monitoring at senior executive level
- Ongoing focus on training and quality improvement

THE SIX STEPS



SOCIAL PERFORMANCE continued

THE QUALITY MANAGEMENT SYSTEM

We have implemented a formal quality management system (QMS) using a risk-based approach and we monitor compliance to the system through risk-based audits. This risk-based approach serves to identify high-risk projects, processes and suppliers as well as the effect that decisions have on outcomes.

The QMS is certified against ISO 9001 requirements in all areas of operation, and a dedicated team of quality personnel ensure continuous compliance with this standard. The consistent meeting of client, statutory and regulatory requirements is the most important objective of the QMS.

We establish, implement, maintain and continually improve our QMS, including the processes needed and their interactions. Continued evaluation of important factors such as risk, resources, methods, inputs, outputs and responsibilities are conducted for the purposes of improvement.

The QMS includes a formal process for the review and audit of all projects and regional offices. We measure compliance with the QMS on all of our projects and our internal quality auditors visit sites to ensure that the systems are properly implemented. Quality reports are compiled monthly and are communicated at all subsidiary and divisional Board meetings, while report summaries are tabled at main Board meetings as a standard agenda item.

No amendments were made to quality policies of the Group during the year. Continuous improvement is a key element of the QMS. Site personnel use non-conformance reports (NCRs) to register all incidences of non-conformance from a quality perspective. NCRs from across all projects are consolidated regionally to identify common trends and failures as well as to quantify the cost of rework and waste.

Corrective action notices (CANs) and quality alerts are subsequently issued to raise awareness of common issues and how to prevent them, and ensure that the root cause of incidents is addressed on every site.

Company	Standard	Certification Body
WBHO Construction	ISO 9001:2015 (QMS)	TUV Rheinland
WBHO Construction	ISO 3834 (Welding)	SAIW
Kalcon Construction	ISO 9001:2015 (QMS)	BOBS (Botswana)
Tekfalt Binders	SANS 4001: BT3 & 4 (Product)	SABS
Byrne Group Limited	ISO 9001:2015 (QMS)	Bureau Veritas
Byrne Bros.	ISO 9001:2015 (QMS)	Bureau Veritas
F.B. Ellmer Limited	ISO 9001:2015 (QMS)	Bureau Veritas
Russell-WBHO	ISO 9001: 2015	DLCS

QUALITY AUDITS

In FY2022, 201 quality audits were conducted by WBHO's internal quality department across the Group (FY2021: 192). 157 of these quality audits (FY2021: 134) were conducted across the various African operations, while 44 quality audits (FY2021: 40) were conducted in the United Kingdom. The easing of Covid-19 restrictions enabled the Group to conduct marginally more audits than in the previous year.

In South Africa and the rest of Africa, 263 (FY2021: 391) CANs were issued. In the UK operations, 40 CANs were issued (FY2021: 30). CANs are clear and concise descriptions of identified problems and the necessary corrective actions requiring implementation to avoid future occurrences.

The number of NCRs, issued in Africa decreased from 1 477 in 2021 to 781 in 2022. This decrease reflects favourably on the progress that the Group is making in embedding quality management in projects in the Africa region. In the UK, 237 NCRs were raised compared to 223 in FY2021.

	Africa		United Kingdom			
			Byrne Group		Russell-WBHO	
	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021
Quality audits	157	134	26	13	18	27
CANs	263	391	40	30	–	–
NCRs	781	1 477	211	201	26	22
	FY2022			FY2021		
	Cost of rework and waste R'000	QMS coverage %	Audit coverage %	Cost of rework and waste R'000	QMS coverage %	Audit coverage %
South Africa and rest of Africa	9 624	100	46	8 296	100	53
United Kingdom						
Byrne Group	1 759	100	100	1 225	100	90
Russell-WBHO	n/a	100	100	n/a	100	100

SOCIAL PERFORMANCE continued

SUPPLIER AND MATERIALS MANAGEMENT AND PROCESSES

WBHO utilises the services of a large number of material suppliers and subcontractors across all of its operations. The ability of these businesses to provide their services within contractual timelines and to the required standard is of paramount importance to WBHO and has a direct impact on our strategic objectives of *Procurement and execution excellence* and *Reputation and relationships*.

We have developed the necessary protocols and procedures to screen, appoint, manage and monitor our suppliers, as well as the products and services they provide, in order for us to meet these key pillars of our wider strategy.

SOUTH AFRICA

Essential suppliers are approved through our rigorous Supplier Approval Process. They are added to the Supplier Ratings List and are then categorised according to risk as high, moderate or low.

The supplier management process involves the following:

- ✓ Buyers complete an external Provider Evaluation Questionnaire with each supplier to determine their capacity and quality assurance status.
- ✓ Site and quality personnel complete the Specification Register with the information from the Specification Register inserted into the Material Schedule.
- ✓ The Materials Approval Register is maintained to manage all material approval forms and status, and includes the receipt of samples and photos where applicable.
- ✓ In the Purchasing Process, the buyer may include quality activities and inspection and test requirements on the purchase order.
- ✓ On-site reception and inspection of critical items and materials, with responsibility defined in the Responsibility Matrix, and personnel authorised to receive materials defined in the Authorisation of Signature which is approved and signed by the Contract Director.
- ✓ A data book for each element or section of the works that includes material compliance certificates.
- ✓ Material compliance certificates are recorded in a Materials Certificate Register, which refers to the delivery notes and whose index is specific to the contract as agreed in the Project Quality Plan.

- ✓ Supplier NCRs are issued for all materials not conforming to applicable specifications with this form sent to the supplier for corrective actions.
- ✓ A dedicated supplier auditor or inspector conducts applicable inspections when required.

Many suppliers are registered with certification bodies for product and/or system certification (SANS Mark Permit Scheme or ISO 9001 QMS). This certification requires annual on-site sampling, testing and audits by certification bodies.

In an audit, the attention of the supplier is on providing all documentation while there are visible defects – on signed-off products on the floor or dispatch area.

Corrosion Protection – powder coating suppliers

During the year under review, suppliers to Eskom wind energy projects did not comply with corrosion protection principles, which help prevent damage caused by corrosive agents to equipment. The Group's Quality Department played an important role in addressing these issues, which helped mitigate potential penalties due to delays. Root causes were identified and resolved, resulting in a satisfactory outcome with external inspectors.

Concrete product suppliers

The Group continued to conduct on-site proof load tests on concrete products. Some products failed this test, while others had problems with test equipment that malfunctioned due to poor maintenance.

During the year under review, some suppliers did not perform adequate testing as per the South African National Standards (SANS) requirements. As part of our quality management process, these suppliers were requested to increase the frequency of their testing.

Welding fabrication suppliers

Most welding fabrication suppliers that were audited did not have all applicable and correct welding documents available, specifically suppliers in the Western Cape. At times, clients do not indicate that non-destructive testing (NDT) is required, which makes it difficult to sign off and release completed work through visual inspection only.

HDPE suppliers

High-density polyethylene (HDPE) suppliers are at high-risk due to the traceability of raw materials. Some HDPE suppliers do not comply with SANS requirements, and in these instances, we have requested suppliers to comply with them. Encouragingly, a number of HDPE suppliers have used 100% virgin material to manufacture pipes for WBHO. While the SANS 4427 pipe system standards do not require HDPE manufacturers to fabricate pipes with 100% only virgin material, using virgin material in the fabrication process is beneficial as it ensures a quality product that will last with a limited chance of failure.

Other suppliers

Galvanising suppliers performed well, with no issues recorded in FY2022. Similarly, we experienced no compliance issues with aluminium and glass suppliers.

FY2022 saw fire door suppliers testing more doors at the South African Bureau of Standards (SABS), while ready-mix suppliers were audited and approved for WBHO projects.

UNITED KINGDOM

The Byrne Group

All subcontractors must go through our OHSEQ grading procedure (*PR11 'Subcontractor Management in QED'*) before an order is placed with them. However, the primary focus of this assessment is health and safety. Following an assessment of the completed questionnaire, subcontractors are then given a grading "Satisfactory plus" and "Satisfactory" are both approved for use while "Unsatisfactory" is unapproved for use until additional information is submitted and the assessment updated. The subcontractor's grading is listed on our business management intranet database, QED, which acts as our approved subcontractor list.

The *'Temporary Works (TW) Procedure'* governs how temporary works are managed. In compliance with the procedure, where it is proposed to engage a subcontractor who will control their own TW, and whose TW procedure has not previously been vetted by Byrne's Designated Individual (DI), the subcontractor's TW procedure is requested and sent to our DI for evaluation prior to appointment.

Similarly, where the project team propose to use external TW designers, the DI will be notified in order to undertake an assessment of the company before they are formally engaged.

SOCIAL PERFORMANCE continued

We also undertake reviews of third party designers or subcontractors, where applicable, utilising the Design Questionnaire, as part of our approval process.

Concrete and rebar suppliers are assessed against a separate OHSEQ questionnaire (as per *QA.PR07 'Suppliers HSEQ Grading Procedure'*), and an approved list is maintained in QED.

Timber suppliers are managed in accordance with our Programme for the Endorsement of Forest Certification and Forest Stewardship Council certification whereby all new suppliers must be assessed before being placed on the approved list maintained in QED.

We have commenced the process of collating periodic subcontractor ratings from assessments undertaken by our project teams. This will allow us to not only compare subcontractors' performance on individual sites, but also evaluate different project teams working on different projects from the same subcontractor. This information can then be shared with the estimating and pre-construction departments.

Outside of these assessments, audits and inspections of suppliers take place on a risk-based approach or in line with project and client requirements.

Russell-WBHO

The quality inspection regime for subcontractors is discussed and agreed at the earliest possible time to determine their inspection requirements, management of materials and programme of works.

Sub-contractors provide a completed quality inspection check for their work prior to handing over to Russell-WBHO. It is at this point where Russell-WBHO carries out its internal quality inspections.

Sub-contractors' performances are reviewed and scored against four main topics. The results are automatically uploaded onto a Sharepoint database using Microsoft's PowerApps platform.

The four topics against which subcontractors scored are:

- Health and safety
- Quality
- Programme
- Commercial

SUPPLIER AUDITS/INSPECTIONS

	FY2022	FY2021
Africa		
Supplier inspections	67	106
Supplier audits	49	38
United Kingdom		
Byrne Group		
Supplier inspections	9	5
Supplier audits	69	40
Russell-WBHO		
Supplier inspections	n/a	n/a
Supplier audits	57	n/a

Supplier quality remains a significant threat to the quality strategy of WBHO. Main and critical suppliers are continuously reminded of WBHO's commitment to meeting product specifications and the risk of receiving poor quality materials.

Full supplier assessments and/or formal audits are conducted on these suppliers, which include manufacturing processes, quality and process controls, implementation of a formal QMS as well as general quality considerations and factory capacity and capability assessments. Final inspections of their products are also conducted prior to delivery to ensure compliance with project and South African National Standard requirements. Supplier non-conformance reports are completed for all materials not conforming to applicable specifications and this form is sent to the supplier for corrective actions. The number of audits conducted across the Group increased overall in FY2022, as a result of better access to sites, due to the easing of pandemic-related restrictions.

Our role in developing green products for the construction industry

Global cement production is widely acknowledged to account for ~8% of anthropogenic carbon dioxide emissions. While many construction companies continue to use cement replacements, their potential to entirely replace what is known as Ordinary Portland Cement, is limited. Accordingly, alternative technologies are required to reduce concrete's embodied carbon emissions further.

The Byrne Group is extensively involved in testing novel lower-carbon concrete solutions with industry partners, including AKTII, Wagners and AMCrete in the UK.

In addition, Byrne Bros. completed trials and mock-ups using a novel lower-carbon concrete for a leading UK landowner and developer, which secured a public realm project. Further to these trials, representatives from Byrne Bros. contributed to the publication of the Low Carbon Concrete Working Group, the Institute of Civil Engineers' Low Carbon Concrete Routemap, and the development and launch of the ConreteZero initiative.

CLIENT PERCEPTION

At WBHO we understand that a consistently high-quality experience for clients generates credibility and repeat work, and, in turn, enhances our ability to secure future projects. Our quality management policies and processes help us to achieve continuous improvement and client satisfaction.

In South Africa, on completion of a project, we request clients to assess our performance across a number of key areas which include:

- ✓ Site management
- ✓ Safety
- ✓ Workmanship, materials and equipment
- ✓ Programme management
- ✓ Supplier and subcontractor quality and management
- ✓ Labour force and labour relations
- ✓ Attitude and cooperation
- ✓ Rectification

Although the ratings are highly subjective, they still provide us with valuable feedback of how we are perceived as a business. The satisfaction rating in SA was 92% for the current year (FY2021: 93%).

Byrne Group

Clients have said that Byrne Bros. has always been known for innovation, so it should be no surprise "they are leading the charge on low carbon concrete." Further to this, our mature approach and collaboration has been identified by clients as something that "sets us apart from the rest."

Clients are appreciating our new, improved "can do" attitude within Ellmer Construction following a year of consolidation and subsequent regrowth, with particular focus on delivery and instilling the right culture. There is recognition of the fact that we are "a pleasure to do business with", and remain on track to become the contractor of choice in a very competitive market.

SOCIAL PERFORMANCE continued

Russell-WBHO

Feedback received from clients in the last year praised Russell-WBHO for our care and attention to detail, programme delivery and recognising our passion to deliver projects in accordance with our company's core values. Many of our projects comprise repeat work with our existing client-base portfolio. Equally, we continue to foster and develop new working relationships – all of whom have welcomed our input and 'added value' to both pre-construction, delivery and customer-care phases.

QUALITY MANAGEMENT ACHIEVEMENTS

WBHO has actively assessed and pursued the Building Information Modelling (BIM) landscape over the past few years. WBHO views BIM as the foundation of its broader digital transformation approach. WBHO has utilised and developed workflows to differing depths within the African divisions across the dimensions of BIM. Aligned with our core business of construction, WBHO has, and continues, to develop its skill and workflows related to Common Data Environment (CDE) utilisation.

WBHO has gravitated towards the United Kingdom's BIM standards and nomenclature. WBHO has thus built its project templates and is digitising its processes within a PAS1192 guided environment at this stage, with a move to ISO19650 envisaged in due course. WBHO aims to deliver on its BIM-related goals and those of its clients in a collaborative way and through the BIM Execution Plan processes through which we typically agree on optimal strategies to do so. WBHO has established a BIM Workgroup within the business.

The BIM Workgroup comprises of cross-functional skills and competencies ranging from estimating, construction, quantity surveying, construction management, quality management, network infrastructure, software programming, and dedicated BIM implementation resources to develop our workflows further and assist with the adoption learning curve.

We have established a formal BIM department and are in the process of appointing a competent BIM Manager with long term construction experience. A senior BIM technician and a few junior personnel comprise the department.

LOOKING AHEAD

In South Africa, short-term objectives include the full roll-out of ASITE as the digital CDE for all new projects achieving a complete digital Quality Management System platform.

The Quality department is also responsible for the development and implementation of the Nuclear Quality Program in line with the ASME NQA1 International requirements. This project will start in FY2023.

Supplier and subcontractor quality will remain a focus going forward with development and improvement of major and critical suppliers and subcontractors with attention on delivering and producing quality works.

At Byrne Group, focus will be on:

- ✓ Delivering OHSEQ training modules to project team members covering subjects such as Grenfell lessons learned, Fire Protection Installation and UKCA Marking – based on project specific requirements and risk.
- ✓ Re-introduction of QMS review meetings in Byrne Bros. and initiation of QMS/QA meetings in Ellmer Construction to drive quality conversations and continual improvement. These meetings will increase engagement between the head office quality department and construction teams.
- ✓ Production and implementation of a new Subcontractor QA Documentation Procedure in Byrne Bros.
- ✓ Integration of Fieldview digital software into company OHSEQ systems.

At Russell-WBHO, focus will be on:

- ✓ improve our QA inspection app utilising suggestions and feedback from those who are participating in the initial trial and release an update to be tested. We will also be looking to include snagging and offline working to improve the usability of the app on site;
- ✓ provide quality training, workmanship and technical knowledge to all operational staff;
- ✓ undertake in-depth analysis of project NCR's to identify trends; and
- ✓ continue to carry out additional project and quality audits across all sites.

SOCIAL PERFORMANCE continued



THE INITIAL DEVELOPMENT OF WBHO'S TRANSFORMATION APPROACH AND STRATEGY WAS AIMED TOWARD REDRESSING HISTORICAL INEQUALITIES WITHIN SOUTH AFRICA. ALTHOUGH THIS REMAINS RELEVANT, THESE INITIATIVES HAVE ALSO MIGRATED INTO VITAL TOOLS THAT ARE NOW USED TO ADDRESS THE WIDER SOCIAL CHALLENGES OF POVERTY, INEQUALITY AND UNEMPLOYMENT.

TRANSFORMATION AND SOCIAL RESPONSIBILITY

Transformation: the strategic foundation

Strategic objectives	Strategic imperative	Strategic initiative
SO6	We are committed to achieving long-term, meaningful broad-based transformation within the business and the industry as a whole.	Social-economic development (SED) initiative, through which the Group is committed to the empowerment, development and growth of disadvantaged communities.

OUR TRANSFORMATION PHILOSOPHY

An inclusive and representative economy in which all South Africans are able to participate is vital for the future sustainability and success of the country and by virtue thereof, the sustainability of WBHO. Consequently, WBHO is committed to achieving long-term, meaningful broad-based transformation within the business and the industry at large. Our commitment is to actively pursue the transfer of skills and economic benefits to currently disadvantaged individuals and local communities, while also seeking to promote an equitable distribution of all race groups and genders within the management structures of WBHO. This includes adhering to the construction sector codes, promoting and supporting the implementation of employment equity, skills development and training (see page 45) and enterprise and supplier development. While recognising the need to positively engage with communities WBHO believes that our primary responsibility is to our own employees.

TRANSFORMATION OBJECTIVES



SOCIAL PERFORMANCE continued

IMPLEMENTING TRANSFORMATION

A dedicated management committee, comprising the executive directors, managing directors of each business unit and the transformation director, monitors and reports on transformation within the organisation. Taking direction from the Board, the Transformation Executive Committee (TEC) meets quarterly to review the Group and divisional scorecards against predetermined targets which are aligned with the Amended Construction Sector Codes, employment equity plan, and overall strategy. In addition, the TEC conducts an annual review of the latest applicable legislation and approves the budget for social investment. The TEC develops initiatives to improve performance where necessary which are implemented within the business units by the managing directors and the transformation department. Each business unit reports on its individual performance quarterly. The transformation department works closely with all divisions and subsidiaries of the Group to ensure that the required target for each element of the scorecard is achieved.

In addition, the department manages and administers the procurement spend, enterprise development programme and socio-economic programmes from a Group perspective. By managing transformation in this integrated way, the department ensures that individual elements are not pursued in isolation. We see training as an essential tool in developing emerging companies, and where there are overlaps between elements such as training and enterprise development, we harness the capabilities within our support structures to achieve the deliverables of both elements. Similarly, by investing in mathematics and science at school level through our SED programmes, and following this up with tertiary education bursaries, we ensure a steady progression of students whose skills qualify them for recruitment into the construction industry.



MEASURING TRANSFORMATION PERFORMANCE

B-BBEE
STATUS MAINTAINED

LEVEL 1

BLACK OWNED
(FY2021: 88.1%)

58.7%

BLACK EMPLOYEE REPRESENTATION
IN SOUTH AFRICA
(FY2021: 85%)

86%

TRAINING SPEND ON BLACK
EMPLOYEES IN SOUTH AFRICA
(FY2021: R64.4 MILLION)

R55.7M

TRANSFORMATION AND LOCALISATION CHALLENGES

The economic contraction experienced over recent years has worsened further since the outbreak of Covid-19 and more recently, through rising interest rates fuelled by inflationary pressure from the conflict between Russia and Ukraine. This has had a devastating effect on communities with unemployment levels at an all-time high.

Most public projects have a requirement for "Local Spend" aimed at ensuring that the distribution of wealth generated from these projects directly benefits communities within the area, and creates employment opportunities and a transfer of skills. The construction industry employs the highest percentage of unskilled workers of any industry and works in remote areas with high levels of unemployment. Furthermore, it is one of the highest employers of the youth in the country. Hence, as an industry we are able to make a significant contribution toward achieving government's social objectives.

Unfortunately, this has often resulted in unrealistic expectations of the extent to which communities can benefit. In addition, local leaders and business forums have in many instances exploited these projects for personal gain under the guise of community benefit. It has therefore become imperative for WBHO to implement a practical strategy at the start of projects prior to the deployment of staff and specialist equipment from outside the local area. We have developed the necessary Community Engagement strategies that include defined procedures for managing Local spend requirements. While these strategies and procedures were initially developed over State sponsored projects, they are being increasingly relied upon on private projects in urban areas as the demand for community benefit has spread.

The procurement of certain State-sponsored projects as well as many mining infrastructure projects are only available to, or at least favour, citizen-owned companies when working in the rest of Africa. We have faced increasing pressure from a number of our traditional clients to address this concern. Through the strong relationships we have with our local suppliers and subcontractors in these regions, we have been able to form sustainable, long-term, mutually beneficial partnerships with certain entities and individuals. We have now formed citizen-owned companies in which we have a minority interest in Ghana and have recently formed similar companies in Botswana and Tanzania.



SOCIAL PERFORMANCE continued

CONSTRUCTION SECTOR CODES

WBHO fully supports the Department of Trade Industry and Competition in terms of the Broad-Based Black Economic Empowerment Act, No. 53 of 2003 (B-BBEE Act) and the amended Codes of Good Practice on Black Economic Empowerment (B-BBEE Codes) of 2019, where this applies to suppliers or service providers. WBHO, via SAFCEC, are signatories to the Construction Sector Charter, and in December 2017, the industry adopted the Amended Construction Sector Codes. WBHO has made significant efforts in improving its empowerment levels over the past six years, moving from a Level 4 in FY2016 to a Level 1 in FY2017 and has retained that Level 1 status ever since.

B-BBEE AND OWNERSHIP

Black ownership in the Company has increased from 24.4% in 2008 to 58.74% in FY2022, with black women ownership up from 3.5% to 26.85% over the same period. However, in the current reporting period, the Group's black ownership has declined from 88.09% to 58.7%. Reduced foreign revenue – due to the derecognition of the Australia operations in February 2022 – is the main reason for this decline.

As part of WBHO's commitment to transformation in South Africa, the Group has continued to implement the Akani Broad Based Incentive Share Scheme, since October 2006. This scheme allocates shares to South African employees with more than five years of service. Approximately 2 966 employees have benefited from the vesting of shares while about 517 participants await first-time vesting. Since its inception, 88% of Akani shares have been issued to black employees and 777 484 shares have vested with beneficiaries from the scheme's inception.

A new broad-based scheme will be introduced in FY2023 to mitigate the impact of reduced foreign revenue and reinforce the Group's longstanding commitment to transformation.



10-YEAR BLACK TRAINING SPEND

NUMBER OF
BLACK LEARNERS
(FY2021: R1 877)

1 824

NUMBER OF
BLACK FEMALE LEARNERS
(FY2021: 547)

553

TRAINING SPEND ON
BLACK EMPLOYEES
(FY2021: R415 MILLION)

R443M

TRAINING SPEND ON
BLACK FEMALE EMPLOYEES
(FY2021: R92 MILLION)

R107M

MANAGEMENT CONTROL AND EMPLOYMENT EQUITY

We continue to implement various initiatives to cultivate a representative management structure within the business. These initiatives are largely aimed at developing the existing and next generation of leaders already within our ranks and they have contributed to a significant improvement in the management control pillar over the past decade. Alongside on-site growth development, these initiatives include the various management development programmes discussed under the *Human Capital* section of this report as well as an informal mentoring programme where identified individuals have the opportunity to spend time with a member of senior management outside of their line management to discuss their career aspirations, career paths, development areas and training requirements and progress made against these.

TARGETS AND PROCEDURES

The imminent gazetting of the Amended Employment Equity Bill, with relating regulations has cast uncertainty into the tabling of Employment Equity Plans. The Regulations, where the Minister sets target percentages at all levels of management are as yet unconfirmed. As a business we must align ourselves with legislation, whilst agreeing to realistic targets. In accordance with our long-standing policy, we strive to grow senior management from within the existing pool of talent, although in exceptional circumstances we may resort to external recruitment. Overall, the number of merit-based appointments of black employees into senior management roles in recent years has been promising.

Given the challenging market dynamics in the construction industry in recent years and where the compliment of salaried personnel has reduced significantly, the Group has not been able to meet the targets submitted under the Employment Equity Plan tabled to the Department of Labour in 2017.

A new and revised five-year plan will be developed, and submitted to the Department of Employment and Labour and designed with attainable targets in mind that take the growth prospects and cyclical nature of our industry into account.

SOCIAL PERFORMANCE continued

SKILLS DEVELOPMENT AND TRAINING

We believe that thorough and ongoing training is the foundation of empowerment for our workforce and our aim is to foster an informed, knowledgeable and dedicated workforce from which leaders can emerge. Our commitment to training at all levels over more than a decade has resulted in significant numbers of black junior and middle managers within our ranks, and has improved gender representation at all levels. We undertake training needs-analyses annually in order to identify and prioritise the training of black people in alignment with our scorecard objectives while still meeting operational requirements. In doing so, we pay specific attention to providing appropriate and relevant training to ensure a systematic progression of career path for our black employees – one that will prepare them for potential middle and senior management positions over time. During the year under review, we invested R55,7 million in training black employees (FY2021: R64,4 million) and R18,9 million (FY2021: R18,7 million) on the training of black female employees in South Africa.

WBHO has a proud record of supporting engineering schools at a number of top tier tertiary institutions. Applications for bursaries are prioritised toward individuals from previously disadvantaged backgrounds and operational management conduct interviews annually for potential bursary candidates.

WBHO has recognised that bursary students from rural areas experience great adjustment difficulties at University in their first year, with unfamiliar surroundings and lectures delivered quickly in a second language. An engagement system was formalised where every new student is paired with a bursary student a year ahead who is responsible for mentoring weekly meetings and ongoing assistance.

Over the past decade, 561 bursaries have been awarded and 811 graduate employees have progressed through the WBHO Engineering Academy.

In addition, we have a comprehensive in-house programme to aid newly qualified engineers and construction management professionals to register with the Engineering Council of South Africa and The South African Council for Project and Construction Management Professions. WBHO's Engineering School level 3 and management development programmes equip identified individuals with the necessary skills to perform at a management level, and over the past five years 17 black candidates have successfully completed the programme.

In addition to these programmes, we facilitate on-the-job coaching and mentoring which takes place with regular interaction with senior management. These engagements have confirmed the gratifying reality that participants' insist on being recognised for their skill and contribution on merit alone.

For more on our training programmes initiatives and frameworks, see pages 22 to 24.

PREFERENTIAL PROCUREMENT SPEND

R8.8BN

PROCUREMENT SPEND WITH
B-BBEE ACCREDITED
COMPANIES (FY2021:
R8.9 BILLION)

R5.3BN

PROCUREMENT SPEND ON
BLACK-OWNED COMPANIES
(FY2021: R5.1 BILLION)

R4.1BN

PROCUREMENT SPEND ON
EME AND OSE COMPANIES
(FY2021: R4.4 BILLION)

R2.1BN

PROCUREMENT SPEND ON
BLACK WOMEN-OWNED
COMPANIES (FY2021:
R1.9 BILLION)

ENTERPRISE AND SUPPLIER DEVELOPMENT

We monitor and manage procurement spend on an ongoing basis to ensure that early on in the bidding phase of a project, we direct spending towards black-owned businesses and black women-owned businesses, as well as qualifying small and micro enterprises and other sufficiently empowered enterprises. Under the sector codes, procurement has been expanded to include designated groups that include rural suppliers and youth. This allows us to create opportunities for suppliers and contractors in the rural areas where WBHO operates and to focus on supporting youth in business. Our transformation department compiles detailed reports on procurement spend, highlighting expired and expiring scorecards as well as any non-compliant vendors, which are then shared with individual business units. All new and expired scorecards are checked and verified by members of the transformation department. During the year under review, WBHO spent R5.3 billion (FY2021: R5.1 billion) with black-owned business, of which R2.1 billion (FY2021: R1.9 billion) was spent with black women-owned businesses. The gradual increase in spend reflects our commitment to continuously empowering designated groups through procurement opportunities.

SUPPORTING SMALL BUSINESS ENTERPRISES

WBHO has invested a substantial amount in enterprise development (ED) over the past decade, having directed R158.7 million toward ED beneficiaries. WBHO has accumulated a wealth of intellectual property that we share with enterprise development companies via mentors assigned to them during the course of their development. Apart from the core competency of contracting, these include quality, safety, environmental, insurance, tendering, accounting, human resources and preferential procurement systems. We currently have 15 Black-owned contractors on our ED programme. The draft procurement regulations from SOEs not only prescribe that a fixed percentage of black-owned SMMEs be used on projects, but in most instances also prescribes that they be employed from the local area. This has had an impact on our enterprise development programme in that participants can no longer move from project to project alongside our operational teams which has made it difficult for us to invest in their long-term growth and development. Sadly, while local communities gain some benefit from our projects, it is harming the wider industry as smaller black-owned construction businesses struggle to advance in size.

SOCIAL PERFORMANCE continued

SOCIO-ECONOMIC DEVELOPMENT (SED)

WBHO has always embraced the concept of social responsibility as a moral obligation, having implemented SED programmes well before the introduction of legislated spend. We have a SED policy to ensure that our programmes are implemented according to approved guidelines. Programmes are designed to benefit both the community and the Group in a sustainable, measurable, tangible and transparent manner, and are typically an extension of the interventions already in place in the areas of skills development and training, HIV/Aids awareness and employment equity. We also recognise that investment in education is a platform for advancing the future of the Group and the industry. Maths and science interventions at school level provide a pool of bursary candidates eligible for future employment within the Group and engineering and construction industries.

For more on bursaries and science, technology, engineering and mathematics (STEM) support, see pages 22 to 24.

The ongoing volume of requests for assistance are a clear indication of the dire circumstances many communities in South Africa face. We know and understand that initiatives implemented alongside our projects have the greatest benefit for the communities amongst which we operate and also improve community relationships.

SED SELECTION CRITERIA



AKANI SCHOLARSHIP PROGRAMME

As part of our Akani Broad Based Incentive Share Scheme, the trustees of the scheme have established the Akani Trust which actively supports qualifying employees in the areas of education, health and housing.

We have recognised that the greatest assistance that WBHO can offer our South African employees is to help them ensure that their children are employable. The trust administrators undertake an annual roadshow where all site and office employees are given guidance on the different routes to success their children can take.

Topics include the importance of subject choices in grade 8, application to tertiary institutions, academic routes, gaining experience in trades as an alternative to tertiary education and work-place experience.

Thus far, the Akani Trust has provided scholarships to the children of 39 employees. Increasing volumes have necessitated the on-boarding of a fulltime trust administrator to facilitate these applications and we anticipate significant growth in these numbers and the assistance we provide in the near future.

This year Trustees are focusing effort in assisting employees with unemployed adult children at home with financial support to pursue a trade or work-based experienced.

SOCIAL PERFORMANCE continued

Programme	Description	10-year spend	Number of beneficiary organisations as at FY2022
COMMUNITY ASSISTANCE AND DEVELOPMENT PROGRAMMES	WBHO's community care and assistance programmes aim to contribute towards the health, happiness and wellbeing of society in terms of physical, emotional and spiritual wellbeing. A significant portion of our funding goes into caring for communities, especially those in rural and impoverished areas.	R32.9 million	55
HEALTHCARE	WBHO is committed to improving healthcare in South Africa. Our programmes target a range of diseases and healthcare categories and in addition to building healthcare facilities, we support awareness campaigns, and rural health programmes.	R6.88 million	5
EDUCATION	WBHO firmly believes that education has the power to change lives and to reduce poverty by equipping people with the means to create new opportunities and seek meaningful employment. WBHO supports numerous education initiatives by investing in the development of much-needed infrastructure and by donating time and resources to educational institutions.	R5.58 million	45
ARTS, CULTURE AND SPORTING DEVELOPMENT PROGRAMMES	A lack of infrastructure means that talented youth in impoverished communities are not afforded the opportunity to advance their skills. In addition, the need for, and impact of, arts, culture and sports in these impoverished communities also decreases the risk of criminal behaviour and drug and alcohol abuse. The implementation of these programmes in these communities provides youth with hope, purpose and a sense of wellbeing. It is with this aim that WBHO has contributed towards numerous events and activities.	R880 thousand	14



TRANSFORMATION CASE STUDY South Africa



CELEBRATING BEST PRACTICE

Lending a hand to assist with KZN emergency flood relief in South Africa

WBHO's commitment to impactful charity

Following the devastating floods that wreaked havoc in the KwaZulu Natal province of South Africa, our Roads and earthworks division in the region reacted immediately to help mitigate the impact. The flood brought about a humanitarian crisis where more than 400 people lost their lives and homes were destroyed leaving thousands of families displaced. In addition, a substantial number of roads, bridges, water and electricity infrastructure were damaged. A R1 million contribution was approved by the Board, coupled with substantial social support.

After the floods abated and news emerged of desperate communities without a drop of water, WBHO dispatched daily water tankers with more than 70 000 litres of clean water to communities in areas like Marianhill, Tongaat and Verulam and these daily deliveries continued for over a month.

- ✓ A financial contribution was made to the Gift of the Givers of R100 000 for emergency food supplies
- ✓ A call was made to all offices nationally to donate clothing and bedding. This was transported to the KZN office and distributed to families being housed in temporary housing shelters
- ✓ Our KZN Roads and earthworks division engaged with the local Kwa-Mashu Business Chamber to establish their needs and a sustainable agreement was concluded whereby WBHO purchased, delivered and installed 22 JoJo water tanks throughout the community
- ✓ Our inland divisions assisted with equipping destitute families by donating over R630 000 worth of clothing and boots

ENVIRONMENTAL PERFORMANCE

THE CONSTRUCTION INDUSTRY IS DEEMED TO BE AN INDUSTRY WITH A HIGH IMPACT ON THE ENVIRONMENT, AND WBHO ACKNOWLEDGES ITS MORAL AND LEGAL RESPONSIBILITY TO SAFEGUARD IT AS WELL AS THE WELLBEING OF ALL THOSE AFFECTED BY THE ACTIVITIES OF THE GROUP. IN SUPPORT OF OUR COMMITMENT TO SUSTAINABILITY AND SOUND ENVIRONMENTAL MANAGEMENT, WE FOCUS ON ENSURING COMPLIANCE WITH ALL APPLICABLE LEGISLATION AND REQUIREMENTS ASSOCIATED WITH RELEVANT LICENSES, PERMITS AND AUTHORISATIONS.



OUR ENVIRONMENTAL PHILOSOPHY

WBHO believes in the constitutional right of all employees, clients and communities to exist and work in an environment conducive to sustainable development and we are committed to the highest standards of environmental protection throughout all phases of construction by upholding the basic principles of environmental management.

Stakeholders are also becoming more aware of environmental issues, increasing the demand on businesses to operate in a sustainable and responsible manner. This increased expectation is not limited to our national market, but is clearly driven and influenced by international trends and pressures.

Aspects of environmental sustainability form a critical part of maintaining a good reputation within the industry as well as with our investors, clients and even our staff. It is therefore important that WBHO is seen by stakeholders as having a firm awareness of the impact of sustainability and environmental issues. These include the effects of our business on climate change and proactively addressing all the issues in a transparent way. We work with our clients to promote sustainable alternative materials, equipment and methods, and we cascade our environmental and wider sustainability values through our supply chain, encouraging a progressive approach. Our approach to environmental management is thus constantly developing in accordance with legislative updates, our clients' requirements, best practice and innovation.

Strategic objectives	Strategic imperative	Strategic initiative
so5	WBHO has an ethical and legal duty to minimise and reduce its impact on the environment in which it operates. Compliance with the environmental regulations and legislation strengthens WBHO's reputation and avoids legal and financial consequences.	<ul style="list-style-type: none"> Water usage management Waste Management Initiatives Flora and Fauna Protection Infrastructure Sustainability Council of Australia membership ISO 14001 Accreditation

MATERIAL ENVIRONMENTAL MATTERS

The Group strives to reduce its impact on external environmental factors such as energy and climate change, water shortages and environmental compliance through responsible construction management. Four material matters relating to the environment and its stewardship have been identified:

- ✓ Energy and climate change
- ✓ Water scarcity and pollution
- ✓ Waste management
- ✓ Environmental compliance

ENGAGING WITH STAKEHOLDERS

Engaging with stakeholders whose environment could be impacted by our projects or who could impact the environment within the vicinity of our projects is an important part of our environmental responsibility. We engage with local communities, government, non-governmental organisations, our clients, consultants and subcontractors in this regard.

The global increase in awareness around sustainability, environmental protection and limited natural resources has influenced the way we do business, enabling us to move beyond mere compliance. We have embraced the importance of protecting the environment and have made sustainable development one of our overall strategic goals.

MEASURING ENVIRONMENTAL PERFORMANCE



ENVIRONMENTAL PERFORMANCE continued

ENVIRONMENTAL COMPLIANCE AND GOVERNANCE

The Group applies best practice when implementing its environmental policies and procedures through its Environmental Management System (EMS) which is implemented on all of our sites and is aligned to ISO 14001:2015 standards. Certification against the standard was retained across all regions during the year under review. The Group obtains external assurance on its legal compliance and effectiveness. The EMS ensures our compliance with all applicable legislation, resulting in the mitigation of our impact on the environment. Internal audits and inspections are also regularly conducted on our sites by qualified personnel to ensure that all risks have been identified and are being accordingly mitigated. Where non-conformances are issued during the audits, they are closed out within the agreed timeframe.

Environmental compliance is governed by the environmental policy. Accordingly, we are committed to minimising detrimental environmental impacts and conducting business activities in a sustainable manner.

The increase in audits performed in FY2022 is largely due to the gradual easing of limitations on travel and other Covid-19-related restrictions across various regions of the Group. In the year under review, our Green Building Coordinator in South Africa also began auditing building sites, which is an important step in helping embed sustainable building practices for our clients.

We apply ongoing review of systems and procedures to manage non-conformances and observations. Corrective actions with respect to non-conformities raised during the period under review were completed, and there were no major environmental non-conformance reports raised in FY2022.

	Africa		United Kingdom			
			Byrne Group		Russell-WBHO	
	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021
Number of audits	92	51	25	23	49	156
EMS coverage (%)	100	98	100	100	100	100
Audit coverage (%)	100	80	93	100	100	100
Number of major non-compliance findings	8	28	1	–	–	6



ENVIRONMENTAL PERFORMANCE continued

ENVIRONMENTAL IMPACT

The significant aspects of the Group’s activities relates to various compliance obligations including but not limited to legal, client and voluntary obligations. Risks are identified per site, using an Aspects and Impacts Register, whereby the severity, frequency and probability of activities are taken into account to determine the extent of any impact of the activity on the environment.

The significant Aspects and Impacts of the Group’s activities relates to:

- ✓ Atmospheric emissions
- ✓ Biodiversity
- ✓ Environmental Management System (EMS)
- ✓ Energy efficiency
- ✓ Hazardous chemical substances
- ✓ Heritage
- ✓ Land and soil management
- ✓ Protected areas
- ✓ Waste management
- ✓ Water management

The key risks identified in South Africa during the year under review relate to:

- ✓ Waste management, specifically in regard to complying to the waste management hierarchy as well as service provider and subcontractor compliance.
- ✓ Sourcing of Materials, ensuring all materials are sourced legally.
- ✓ Sourcing of Water, ensuring water use licences or generational authorisation permissions are applied for in time.
- ✓ Subcontractor compliance to WBHO legal and client obligations in regard to above mentioned risks.

These were mitigated through:

- ✓ An emphasis on subcontractor training and awareness on WBHO’s legal and client obligations.
- ✓ An emphasis on increased awareness of the legal requirements for the selection of waste service providers and waste facilities.
- ✓ An emphasis on reducing waste sent to landfill, encouraging implementation of recycling initiatives on site.
- ✓ An emphasis on increased awareness on legal requirements for sourcing of water for construction purposes.
- ✓ Improved recording and reporting mechanisms.
- ✓ Improved processes during planning phases of projects.
- ✓ Integrating health, safety and environmental processes into a more integrated system.

KEY ENVIRONMENTAL INITIATIVES

Africa

Initiative	Objective	Action	Measure
1. Waste management, water, electricity and fuel consumption	<ul style="list-style-type: none"> • Monitor and accurately record and support all waste figures, water, electrical and fuel consumption to establish an accurate baseline for future target setting. • Limit wastage of water and fuel to reduce our impact on natural resources. 	<ul style="list-style-type: none"> • The Construction Manager CR8(1) with the assistance of his management team will ensure: • Alternative waste management practices are identified (i.e. reclamation/recycling centres; reuse for waste etc.). • Adequate resources are available on site to ensure that identified waste management practices are implemented. • On-site specific training for all requirements of the identified waste management practices are implemented. Water conservation initiatives on site is implemented (e.g. awareness posters: toolbox talks). • Alternative dust suppression methods/ practices where feasible are investigated and implemented. • Implement energy conservation initiatives (e.g. awareness posters: toolbox talks). • Investigate the use of alternative energy resources where feasible (e.g. LED lighting). 	<ul style="list-style-type: none"> • HS&E contractor Selection Questionnaire for each contractor is completed. This will be audited by the divisional CHSM’s monthly. • The Construction Manager CR Agreement Section 37(2) (for all RSA projects or where RSA legislation is used as good practise) are completed and signed by the contractor and himself before the contractor is allowed to start work. • The Construction Manager CR 8(1) will ensure a completed Waste Management Checklist & Service Level Agreement prior to appointing service providers are signed off and service providers are evaluated at the end of the contract. • Monthly contractor Audit results and the management of deviations are conducted by the CHSO on all contractors. Divisional CHSM will audit as per schedule and send results to divisional MD and Group HS&E Manager.

PREVENTING CONTAMINATION AND MANAGING HAZARDOUS MATERIALS AND SUBSTANCES

As part of our Environmental Management System and holistic approach to safety, WBHO acts with the utmost consideration to prevent contamination, manage hazardous materials and substances that may affect people and the ecology. Our environmental management processes enable us to identify and mitigate the harmful effects of chemicals and materials (including contaminants of emerging concern). Aligned with the Hazardous Chemical Substances Regulations of South Africa, the National Environmental Management Act (NEMA) and the National Water Act our approach:

- ✓ Provides for the control of substances which may cause injury or ill-health to or death because of their toxic, corrosive, irritant, strongly sensitising or flammable nature or the generation of pressure thereby in certain circumstances (See page 36 on WBHO’s Control of Substances Hazardous to Health (COSHH) assessments); and
- ✓ Provides for the division of such substances or products into groups in relation to the degree of danger.

In FY2022, internal audits were performed on several environmental aspects, including managing hazardous substances and materials. Consistent with previous years, where WBHO’s compliance on managing hazardous materials and substances was above the 90th percentile, the compliance level in FY2022 was recorded at 91%.

ENVIRONMENTAL PERFORMANCE continued

United Kingdom

Byrne Group

	Focus Area	Progress
Byrne Bros.	1. Reduce carbon dioxide emissions from site and fleet fuel procured directly by Byrne Bros. by 5% against the baseline of 0.78tCO ₂ e/£100k turnover.	Rolling annual mean was 0.73t/£100k turnover.
	2. Divert >99% of non-hazardous construction waste from landfill.	98.6% of non-hazardous construction waste was diverted from landfill.
	3. Achieve an average of ≤4.5% wastage from rebar fabrication at MRM (tonnes waste/tonnes material processed).	4.21%
	4. Source >99% of construction timber from certified sources.	100% of construction timber was procured from certified sources.
	5. Maintain an >20% reduction in timber consumption against the baseline of 2.93m ³ /£100K annual turnover.	Byrne Bros used 72% less timber than the 2015/2016 baseline.
	6. Environmental internal audit findings to be closed out within 4 weeks of audit date.	88.89% were closed within 4 weeks.
	7. Calculate Byrne Bros.' Scope 1 & 2 carbon dioxide emissions and set a carbon dioxide intensity reduction target at the end of year one.	Scope 1 & 2 emissions calculated.
Ellmer	1. Divert >99% of non-hazardous construction waste from landfill.	99% of non-hazardous construction waste was diverted from landfill.
	2. Promote, use and quantify energy-saving methods and technologies on our projects and within our supply chain, such as eco-cabins, electric/battery/hybrid/alternatively fuelled plant, green-electricity tariffs and temporary lighting fitted with microwave sensors.	Marylebone Lane Hotel team used temporary lighting with microwave sensors.
	3. >99% of construction timber procured directly by Ellmer shall be from certified sources.	100% of construction timber was procured from certified sources.
	4. Environmental internal audit findings to be closed out within 4 weeks of audit date.	66.67% were closed within 4 weeks.
	5. Calculate Ellmer's Scope 1 & 2 carbon dioxide emissions and set a carbon dioxide intensity reduction target at the end of year one.	Scope 1 & 2 emissions calculated.

Russell-WBHO

	Focus Area	Progress
	1. Maintain Recycling Programme.	<ul style="list-style-type: none"> Identify all recycling opportunities. Separate waste streams and deliver to Recycling Points.
	2. Reduction in carbon emissions.	<ul style="list-style-type: none"> Monitor energy usage and implement carbon reduction measures to ensure targets set in the net zero road map are agreed and implemented.
	3. Aim to achieve at least 90% by weight or 80% by volume of key non-hazardous construction.	<ul style="list-style-type: none"> Monitor site waste management plan and Waste Reports.
	4. Pollution response training and awareness to be arranged for operational teams.	<ul style="list-style-type: none"> In-house environmental awareness training to be arranged for selected operator teams.

Sustainable initiatives Russell-WBHO are working on are:

- Working towards a Net Zero Strategy
- Adding solar photovoltaics to Head Office
- Improve Head Office lighting controls to reduce usage
- Adding solar photovoltaics to construction site offices and welfare
- Consider electric operated machinery/equipment opposed to petrol or diesel

Design out waste to reduce waste production and removal during construction.

ENVIRONMENTAL PERFORMANCE continued

CLIMATE CHANGE AND CARBON DISCLOSURE

With global temperature levels rising and weather patterns becoming more violent and unpredictable, managing the risks associated with climate change has become an integral part of the planning process for construction projects. Greater focus is placed on reducing greenhouse gases through reducing, re-using and recycling materials and efficient measures relating to plant maintenance and operation. The Paris Agreement concluded due to urgency and pressure to act against climate change and reduce GHG emissions. South Africa’s new climate commitment is much more ambitious than what the country put forward five years ago when the Paris Agreement first adopted. Our approach to climate change is governed by our climate change policy, which will be reviewed within 2022 to include GHG reduction and decarbonisation strategies.

The South African construction industry is required to report its GHG Emissions annually. The South African Greenhouse Gas Emissions Reporting System (SAGERS) is a Greenhouse Gas Reporting Module of the National Emissions Inventory System (NAEIS). This portal is a web based platform for the registration and submission of GHG emissions data by category A data providers in terms of GHG Reporting Regulations 3 April 2017 as amended and promulgated under the National Environmental Management: Air Quality Act No 39 of 2004.

In South Africa, we make use of The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, with conversions factors according to Defra 2019. Reporting annually to the Carbon Disclosure Project (CDP). By reporting through CDP, you can gain competitive advantage. Disclosure helps you get ahead of regulatory and policy changes, identify and tackle growing risks, and find new opportunities for action that your investors and customers worldwide are demanding.

In the UK, in terms of the Energy Savings Opportunity Scheme (ESOS), businesses are required to assess the energy used by their buildings, industrial processes and transport to identify cost-effective energy-saving measures. The Streamlined Energy and Carbon Reporting (SECR) is a reporting framework introduced in April 2019 by the Department for Business, Energy and Industrial Strategy (BEIS) designed to make carbon reporting easier and more accessible. Our energy data is obtained from a variety of verifiable internal and external sources, including bills, delivery records and expenses: mileage claims.

	Africa		United Kingdom			
			Byrne Group		Russell-WBHO	
	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021
Scope 1 (tCO ₂ e)						
Direct emissions from owned or controlled sources	27 919	32 520	493	1 058	146	12
Scope 2 (tCO ₂ e)						
Indirect emissions from the generation of purchased energy	7 089	4 933	140	244	103	585
Scope 3 (tCO ₂ e)						
Indirect emissions (not included in scope 2) occurring in the Company value chain	31 373	13 626	24 556	38 613	127	251
Total (tCO ₂ e)	66 381	51 079	25 189	39 915	376	848

FINANCIAL IMPLICATIONS OF THE CARBON TAX ACT

In South Africa, the Carbon Tax Act was promulgated on 23 May 2019 and came into effect on 1 June 2019. The Act introduces emission reduction measures with the objective of inducing behavioural change on the part of producers and consumers alike. While the weight of the carbon tax falls, for the moment, mainly on heavy emitters, knock-on effects will nonetheless result in price increases for the construction industry.

Mining, electricity generation, fuel production and process industries such as cement production, are likely to be most affected.

Overall, we continue to see pressure – from stakeholders, investors and clients – to advance GHG and carbon reduction initiatives and strategies. This will have an impact on our own business, especially as we review our energy management initiatives that span across ensuring energy efficient offices, equipment and fuel.

The South African government has indicated that the impact of the Carbon Tax will be reviewed before the next phase is implemented (2023), and changes to rates, thresholds and allowances will be made thereafter. The implication of this is that the Carbon Tax is going to start off relatively low, the intention is for it to escalate over time. WBHO continues to monitor these developments, and assess implications, if any, on the company’s activities.

ENERGY CONSUMPTION

Africa	United Kingdom	
<ul style="list-style-type: none"> Diesel: 101 770MWh LPG: 37MWh Petrol: 5 699MWh AV Gas: 729MWh 	Byrne Group <ul style="list-style-type: none"> Natural gas: 0kWh Gas oil: 805 910kWh Diesel: 1 094 796kWh Hydrotreated Vegetable Oil: 0kWh Petrol: 32 519kWh Propane: 15 457kWh 	Russell-WBHO <ul style="list-style-type: none"> Electricity 499 509 kWh Heating n/a Energy intensity: 0,606 CO₂e/£100k turnover

ENVIRONMENTAL PERFORMANCE continued

WASTE MANAGEMENT

Our approach to waste management is Governed by our Waste Management Policy.

This policy responds to the challenges facing waste management and resource recovery not only within the construction industry, but also within our society as a whole. It provides a platform for ensuring ongoing legal compliance and commitment to continual improvement of the company's waste management practices.

As a responsible corporate citizen, WBHO recognises the importance of managing waste in an integrated, sustainable, equitable and responsible manner in order to maintain a safe and healthy environment for present and future generations. All operations and facilities within the WBHO Group as well as service providers and subcontractors are expected to uphold the principles contained within this policy, in conjunction with the WBHO Health, Safety and Environmental Policy.

As part of the HSE Interventions for 2022, a focus has been placed on recycling waste to reduce waste sent to landfill.

The large increase in landfill (tonnes) in the Africa region is attributed to the type of projects that the Group undertakes (particularly those requiring demolition), and an increase in better reporting from the sites.

	FY2022		FY2021	
	Reused, recycled or recovered (tonnes)	Landfill (tonnes)	Reused, recycled or recovered (tonnes)	Landfill (tonnes)
Africa	20 382	61 858	39 590	27 166
United Kingdom				
Byrne Group	4 828	53	4 997	10
Russell-WBHO	2 546	1	2 814	103

No reportable spill-related incidents were recorded.

In South Africa, WBHO does not transport hazardous waste. In the UK, the Byrne Group relies on certification to provide assurance that impacts are being managed by our suppliers. Russell-WBHO does not transport hazardous waste.

WATER MANAGEMENT

Africa

The construction industry uses large quantities of water as a critical resource for operations. There is a financial impact for the Group derived from business interruptions and increased cost due to scarcity and price increases. This impact is, however, not quantifiable as water availability varies from area to area and fluctuates depending on rainfall. Therefore, as WBHO projects are seldom executed in the same geographical area, the cost implication will vary as they are entirely dependent on individual circumstances prevailing at the time. We investigate alternative water sources such as quarries and wastewater treatment plants not only to mitigate water shortages, but also to save costs and reduce the usage of potable water.

Water sources and consumption

Source	Volume withdrawn (kl)
Municipal	381 997
Borehole	1 443 839
River	45 326
Wastewater	12 960
Wetland	20 040

United Kingdom

Byrne Group

In southern England the municipal water supply is generally drawn from deep chalk aquifers and reservoirs. Both sources are heavily regulated and monitored. It is therefore considered unlikely that Byrne Group's direct consumption of water affects these sources. Furthermore, as dewatering construction sites at a rate of >20m³ within 24 hours is a permitted activity, we have had no requirement for such a withdrawal in the year under review, and no discharges have been made into water bodies.

Russell-WBHO

Russell-WBHO's water usage is recorded and monitored at its head office and individual construction projects. While the UK is expected to experience increased water stress within the medium term, shortages are not considered likely to directly affect our operations in that country.

TRAINING

In the UK, the Byrne Group requires each project to deliver at least one environmental toolbox talk to site staff every month (topics generally cover site compliance issues or updates to the Environmental Management System).

No environmental training took place in South Africa and the rest of Africa during the year under review due to budgetary constraints.








Within Russell-WBHO, training was implemented on the ISO in-house systems, and the new document management system (through Sharepoint) which includes mobile application to reduce the number of paper documents. Looking ahead, Russell-WBHO intends to provide training to employees on carbon reduction and net-zero awareness along with site environmental awareness.



ECONOMIC IMPACT

As part of a greater socio-economic ecosystem, we recognise that we are dependent on robust relationships with key stakeholders. Value-added indicates the wealth WBHO creates through its activities to the following stakeholders: shareholders, employees, debt providers, suppliers and the government.

VALUE-ADDED STATEMENT

Rm	2022	2021	
 CLIENTS Revenue*	20 584	23 117	WEALTH CREATED
 SUPPLIERS Cost of materials and services*	(15 375)	(17 858)	
	5 209	5 259	
 Employees Payroll costs Share-based payment expense	2 488 45	2 410 40	WEALTH DISTRIBUTED
 Investors Dividends paid to shareholders	116	–	
 Financial Institutions Interest and finance charges Lease payments	18 13	17 13	
 Government Taxes and duties	1 632	1 877	
 Communities Socio-economic development	5	5	
	4 317	4 362	
WBHO Attributable earnings (less dividends paid) Depreciation	693 199	688 209	WEALTH RETAINED
	892	897	

* Including value-added tax and sales tax where applicable.

GOVERNANCE

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Corporate governance report



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE IS MORE THAN A SET OF FRAMEWORKS, PRINCIPLES, POLICIES AND RULES. AT WBHO, IT MEANS ABIDING BY PRINCIPLES AND STRUCTURES THAT FACILITATE AND FOSTER GOOD RELATIONSHIPS BETWEEN THE BOARD OF DIRECTORS (THE BOARD), SHAREHOLDERS, STAKEHOLDERS, AND EMPLOYEES. GOOD CORPORATE GOVERNANCE IS THE VEHICLE TO BUSINESS INTEGRITY, SUCCESSFUL BUSINESS RELATIONSHIPS AND VALUE FOR STAKEHOLDERS.

GOVERNANCE FRAMEWORK

Our governance framework, as set out below, enables the Board to maintain effective control while delegating authority through its Board committees and the Executive Committee. All of the African operations of the Group are directly subject to the operational and governance structures, protocols and procedures set out in the governance framework.

While the governance structures and protocols of the United Kingdom businesses are independently managed in line with local governance practices, they are aligned with those of the Group. Certain executive directors and prescribed officers are members of the United Kingdom boards of directors and subcommittees. They also attend the main Board and subcommittee meetings by invitation.

ETHICAL CORPORATE CITIZENSHIP

Ethical business practices are set out in our Board-approved Code of Conduct. The Code actively promotes a set of core values covering reputation, quality, cost awareness, team-work and culture, and serves as a guide to employees of the "The WBHO Way" of conducting business. The Code affirms the values of responsibility, honesty, fairness and respect and dictates that all actions must be trustworthy. It promotes ethical conduct amongst our employees and covers topics such as how to avoid possible conflicts of interest within specific areas of competence, Competition Act and Privacy legislation and the duty of confidentiality.

The Code also discusses employees' responsibilities to ensure a safety culture and protection of the environment. It obliges all directors, officers and employees to interact with one another, as well as with stakeholders, with integrity. During the year under review, there were no issues of non-compliance, fines or prosecutions levied against WBHO or its management for non-ethical behaviour.



BOARD

Responsible for strategic leadership and guidance and ensuring that the Company remains a robust, successful business, responsive to stakeholders and accountable to shareholders.

BOARD COMMITTEES

AUDIT COMMITTEE	RISK COMMITTEE	SOCIAL AND ETHICS COMMITTEE	REMUNERATION COMMITTEE	NOMINATION COMMITTEE
Oversight of financial risk management and ensuring the integrity of financial reporting	Oversight of the risk management framework and combined assurance reporting	Oversight of good corporate citizenship, encompassing ethical, legal, social and environmental governance	Oversight of all remuneration policies and practices	Oversight of the evaluation of all subcommittees and main Board directors as well as identifying and sourcing appropriately skilled new directors

CEO

EXECUTIVE COMMITTEE

Responsible for implementing the strategy of the Group and assisting the CEO in managing the day-to-day operations. In addition, mandates are given to the committees below to oversee specific areas of importance on behalf of the Executive committee (Exco).

CREDIT COMMITTEE	TRANSFORMATION COMMITTEE	INFORMATION TECHNOLOGY COMMITTEE	VRP RISK COMMITTEE
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KEY GOVERNANCE POLICIES AND PROCEDURES IN PLACE

ETHICAL LEADERSHIP AND GOOD CORPORATE CITIZENSHIP	STRATEGY, PERFORMANCE AND REPORTING	GOVERNANCE STRUCTURES AND DELEGATION
<ul style="list-style-type: none"> • Memorandum of Incorporation • Board Charter • Code of Conduct • Division of responsibility • Appointment of main Board directors • Declaration of interest • Anti-bribery and compliance policy, guidelines and procedures • Competition compliance policy and programme • Whistleblowing policy • Tax policy • Gender and racial diversity policy 	<ul style="list-style-type: none"> • Communication and price Sensitive information policy • Gifts policy • Annual independence review of non-executive directors in line with independence of non-executive directors' policy • Climate Change and Environmental policies • Occupational health and safety policy • Quality policy Corporate social spend policy • Monitoring alignment to the UNGC and OECD principles 	<ul style="list-style-type: none"> • Regular Board meetings including a specific annual strategy meeting • Quarterly review by the Board of the progress against strategic objectives • Alignment of management incentive schemes to strategic objectives • Review and approval of key documents for external communication • Annual site visits by the Board to assess the operational environment

- Delegation of authority policy and framework
- Corporate governance framework
- Board committee terms of reference and annual work plan
- Combined assurance and risk management framework
- Remuneration policy
- IT policies
- Directors' induction processes and ongoing exposure to the business

CORPORATE GOVERNANCE REPORT continued



OUR LEADERSHIP

The Board is responsible for developing the strategy of the organisation with management. It retains full and effective control of the Company and ensures that management implements the strategy of the Group.

Effective governance decision-making



THE BOARD HOLDS ITSELF ACCOUNTABLE TO THE PRINCIPLES EMBODIED IN THE KING IV REPORT ON CORPORATE GOVERNANCE FOR SOUTH AFRICA 2016 (KING IV™).

LEADERSHIP ROLES AND FUNCTIONS

The role of the Chairman is distinct and separate from that of the CEO in terms of the delegation of power and authority to ensure the appropriate balance exists on the Board. The Board is led by an Executive Chairman and therefore, in compliance with paragraph 3.84(c) of the JSE Listings Requirements (JSELR), and as recommended by King IV™, a lead independent director (LID) has been appointed. The roles and responsibilities of the Chairman, LID and CEO are summarised below.

Leadership role	Description
Chairman	The Chairman is responsible for leading the Board and for ensuring the integrity and effectiveness of the Board and its committees.
Lead independent director	The LID is responsible for assisting the Chairman in the execution of his duties and such other functions as the Board may wish to delegate to the lead independent non-executive director. Where the Chairman is absent or unable to perform his duties or where the independence of the Chairman is questioned or impaired, the LID must serve in this capacity for as long as the circumstances that caused the Chairman's absence, inability or conflict exist.
CEO	The CEO is responsible for the effective management and running of WBHO's business in terms of the strategies and objectives approved by the Board.

CORPORATE GOVERNANCE REPORT continued

BOARD OF DIRECTORS

The Board is constituted in terms of WBHO's Memorandum of Incorporation (MOI) and is aligned with King IV™. The majority of Board members are independent and non-executive directors. Emphasis is placed on ensuring that Board composition reflects diversity in the broadest sense. Diversity encourages robust debate that ensures that appropriate guidance is provided to management in delivering on our strategic objectives. The Board is committed to ensuring that diversity, including that of background, experience, skills, geography, race, age, and gender is reflected in its composition. The Board has adopted a race and gender diversity policy and has set a target range for minimum representation on the Board by female directors of between 25% and 30% and black directors of 30%. WBHO has a unitary Board structure, comprising mostly of non-executive directors, independent of management.

BOARD CHARTER

The Board follows a stakeholder-inclusive approach in the execution of its governance roles and responsibilities and assumes collective responsibility for strategy, policy, oversight and accountability. The Board Charter encapsulates the Board's overall business philosophy, formalised duties and responsibilities. In addition, it highlights the characteristics of the Board and individual Board members, and sets out the policies, procedures and steps to be followed by the Board pertaining to the discharge of its duties and the conduct of its activities in order to ensure overall good corporate governance. The Board Charter was reviewed and adopted during the year.

BOARD COMPOSITION

The Board comprises the appropriate balance of knowledge, skills, experience, diversity and independence to discharge its governance role and responsibilities objectively and effectively. The diversity in its membership together with its various attributes creates value by promoting better decision-making and effective governance.

QUALIFICATIONS



EXECUTIVE DIRECTORS



NON-EXECUTIVE DIRECTORS



BSc



MBA



BCom (Hons)



BA (Hons)

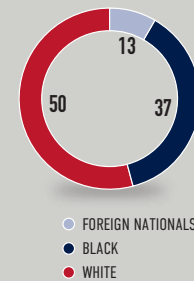


HDip (Tax)



CA (SA)

DEMOGRAPHICS (%)



37%

OF THE BOARD MEMBERS
ARE BLACK

75%

OF THE BOARD MEMBERS
ARE MALE

25%

OF THE BOARD MEMBERS
ARE FEMALE

BOARD ATTENDANCE

Directors	Board attendance
Independent non-executive directors	
Ross Gardiner	8/8
Cobus Bester	8/8
Karen Forbay	8/8
Savannah Maziya	8/8
Hatla Ntene	8/8

Directors	Board attendance
Executive directors	
Louwtjie Nel (Chairman)	8/8
Wolfgang Nef (CEO)	8/8
Charles Henwood (CFO)	8/8

CORPORATE GOVERNANCE REPORT continued

BOARD APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Board, supported by the Nomination committee, is responsible for the nomination, selection and appointment of directors to the Board in line with the principles and procedures set out in the Appointment of Main Board Directors Policy.

Apart from a candidate's skill, experience, availability and likely fit, the Board considers the candidate's demonstrated integrity, proven leadership as well as other directorships and commitments to ensure that they will have sufficient time to properly discharge their duties.

The rotation of non-executive directors is governed in terms of the Company's MOI. The MOI requires one third of non-executive directors to retire from office at each AGM, with the longest serving retiring first. All non-executive directors serving more than nine years retire annually and if eligible and meeting the independence assessment criteria, are recommended for re-election. Any re-election of a director is informed by the results of the independence assessment carried out annually.

When recommending directors for appointment or re-election, performance, diversity requirements, Board continuity and independence are considered. The appropriate diversity balance includes, but is not limited to skills, industry experience, race and gender.

Hatla Ntene and Ross Gardiner will retire, and being eligible, will be available for re-election at the 2022 AGM. After 16 years of service, Savannah Maziya has retired and is not available for re-election. The Board thanks her for her valuable contribution throughout the years.

The retirement age for non-executive directors is 70 years, and 60 years for executive directors. The conditions of employment of executive directors may be extended, dependent on the continued value offered by the executive director in question.

During the period under review, no new Board appointments were considered or made. The Board has also discussed a succession policy which is geared to ensuring that the company benefits from orderly non-executive director succession planning.

BOARD EVALUATION

An internal evaluation of the Board and subcommittees was performed during FY2022. The evaluation process included one-on-one meetings with the Chairman.

BOARD REFRESHMENT

Board refreshment is vital for its effective functioning. Upon the retirement of non-executive directors and having taken into account WBHO's strategy and future needs, candidates with requisite attributes, skills and experience are identified to ensure that the Board's competence and balance are maintained and enhanced. Rotation of Board members is staggered to ensure that the introduction of members with new expertise and perspectives is accomplished while enabling the retention of valuable knowledge, skills and experience and maintaining continuity.

The average tenure of current-serving non-executive directors is eight years, with three members, or 60% of non-executive directors, serving for less than five years. There were no changes to the composition of the Board in the year under review.

SUCCESSION PLANNING

Succession planning for senior positions in the internal and external organisation involves identifying suitable candidates internally, wherever possible, and providing them with support, shadowing opportunities and internal and external mentorship. Identified candidates also receive further professional development via enrolment with reputable global business schools. Key positions for which a succession plan is required have been identified and processes are in place to implement the relevant succession plans.

DIRECTOR INDEPENDENCE AND CONFLICTS

The Company Secretary oversees the assessment process for directors' independence. This process is determined in terms of the criteria and recommendations set out in King IV™ as well as the Companies Act of South Africa and the Board Charter. The performance and independence of individual directors is assessed annually.

During the year under review, the Board assessed the independence of all the non-executive directors, by considering factors that may impair independence, including the period served on the board, directors' interests and conduct. The Board is satisfied that all non-executive directors remain independent and are able to execute their duties in the manner required.

In terms of the Companies Act of South Africa, directors are required to disclose their outside business interests. Directors do not participate in, and recuse themselves from, all meetings where the Board considers any matters in which they may be conflicted. Conflicts are noted on a case-by-case basis when they arise and are recorded in a register of directors' interests that is maintained by the Company Secretary.

The Board is aware of other commitments of its directors and is satisfied that all directors allocate sufficient time to enable them to discharge their responsibilities effectively. The Board is encouraged to seek independent legal advice, at WBHO's cost, during the execution of its fiduciary duties and responsibilities, if so needed. During the financial year, no legal advice was sought by the Board. The Board has direct access to WBHO's external auditors, internal auditors, the Company Secretary, and all members of the executive management team.

Directors and managers with access to material price-sensitive information are prohibited from dealing in shares in periods immediately prior to the announcement of WBHO's interim and year-end financial results and at any other time deemed necessary by the Board or as required in terms of the JSELR. Directors and prescribed officers need to obtain written clearance from the Chairman prior to trading in shares. The Chairman consults with the executive directors before granting clearance to ensure that there is no material price-sensitive information that has not been disclosed to the market. Clearance is provided on receipt of a written request from the director or prescribed officer and once the necessary signatures of the designated directors have been obtained.

DIRECTORS' TRAINING

As a result of new developments and changing operating, economic and legislative environments, various subscriptions to a variety of organisations, in addition to continuous professional development, are used to identify and share relevant changes to regulation and legislation. Links to available courses are also sent where provided.

Secure technology is used to ensure efficient meeting and document management and real-time feedback.

Further in-house and specialist training will be made available to directors as and when required to supplement knowledge and improve the Board's effectiveness.

BOARD EFFECTIVENESS

Through the Board, WBHO endorses and is committed to the recommendations of King IV™, the dictates of the Companies Act of South Africa, and the JSELR. To view our latest King IV™ application register, please visit our website at www.wbho.co.za.

WBHO recognises that being a "good corporate citizen" requires the organisation to deliberate and act fairly, responsibly, transparently and accountability.

CORPORATE GOVERNANCE REPORT continued

The table below summarises the key activities undertaken by the Board in the year as well as planned focus areas for FY2023:

	Desired outcomes	Activities in the year	Specific planned focus areas for FY2023
Strategy performance and reporting	<ul style="list-style-type: none"> A well-considered strategy, taking into account the operating environment, risks and opportunities, with the intent to deliver sustained long-term value. Appropriate alignment and monitoring of key performance measures and targets for assessing the achievement of the strategic objectives. Providing reliable external reports that enable stakeholders to make an informed assessment of the Group's performance. 	<ul style="list-style-type: none"> Monitored the performance and implementation of the approved strategy. Approved key performance metrics and targets for FY2022. Reviewed detailed divisional business reports at the interim reporting period to highlight any emerging issues and risks. Approved the FY2022 budget. Approved the FY2022 Integrated Report, annual financial statements and published results announcements. Reviewed solvency, liquidity and going-concern status. Convened a number of special board meetings to deliberate and strategise over the decision to withdraw financial support to the Australian operations. 	<ul style="list-style-type: none"> Continue to monitor the execution of projects in the UK operations given the effects of Covid-19 and Brexit on the UK economy. Review and interrogate the strategic direction and objectives in relation to risks, opportunities, resources and relationships at the annual Board strategy session. Closely monitor high-risk projects and areas in which the business operates. Continuously assess how the business maintains its competitive advantage by monitoring the businesses solvency and liquidity position. Monitor relationships with clients, in particular on high-risk projects.
Risk, oversight and compliance	<ul style="list-style-type: none"> Strengthened diversity in thought, experience and independence of the Board and its committees. Continuous improvement in the performance and effectiveness of the Board. Compliance with WBHO policies and country specific laws and regulations throughout WBHO in each country of operation. Substantial compliance with the spirit and principles of King IV™. 	<ul style="list-style-type: none"> No new independent non-executive directors were appointed in the year. Monitored progress made in terms of gender and role diversity. Considered the requirements of the Promotion of Access to Information Act (PAIA) and the Protection of Personal Information Act (POPIA). Through the Audit committee, reviewed internal audit reports covering compliance with country and Group-specific policies and procedures. Identified and assessed potential risk of non-compliance throughout the Group on a regular basis. 	<ul style="list-style-type: none"> Continuously assess the current mix of the Board to determine if it adequately addresses the needs of the business and represents the demographics of the nation. An annual assessment of the independence of the Board is performed. Ensure compliance with the Diversity Policy of the Group.

CORPORATE GOVERNANCE REPORT continued

	Desired outcomes	Activities in the year	Specific planned focus areas for FY2023
Remuneration	<ul style="list-style-type: none"> Fair, responsible and transparent remuneration practices. Alignment of executive director and stakeholder interests. 	<ul style="list-style-type: none"> Reviewed the Remuneration policy and implementation plan against WBHO's strategic objectives. Gave specific attention to the performance measures of the short-term and long-term incentive schemes and approved the necessary targets. Approved the value of the short-term incentive pool. 	<ul style="list-style-type: none"> Ongoing review of remuneration structures against industry norms and performance of the Group. Review medium- to long-term methods to retain key skills and/or employees within the Group.
Stakeholder relations	<ul style="list-style-type: none"> Stakeholder-inclusive approach in the execution of governance roles and responsibilities. Reasonable needs, interests and expectations of stakeholders, balanced with the best interests of the Group over time. 	<ul style="list-style-type: none"> Identified material stakeholders and oversaw the extent of stakeholder engagement. Oversaw facilitation by management of regular and pertinent communication with shareholders. 	<ul style="list-style-type: none"> Ongoing monitoring of stakeholder engagement. Perform an assessment of the sufficiency and effectiveness of WBHO's engagement with stakeholders
Corporate governance	<ul style="list-style-type: none"> Appropriate governance structures and procedures to ensure effective control over the Company. 	<ul style="list-style-type: none"> Considered the independent assessment of long tenure, non-executive directors. Implemented virtual Board and committee meetings and strengthened electronic communication. Reviewed and monitored ongoing remedial actions to align the IT Governance Framework with international best practice following the IT governance assessment conducted in previous years. 	<ul style="list-style-type: none"> Review of the corporate governance framework and the delegation of authority policy by the Board. Annual assessment of the independence of long-tenure directors and their reappointment in terms of King IV™.

CORPORATE GOVERNANCE REPORT continued

BOARD COMMITTEES

While overall accountability for the Group is retained by the Board, five standing committees have been established through which it executes some of its duties:

- ✓ Audit committee
- ✓ Risk committee
- ✓ Social and ethics committee
- ✓ Remuneration committee
- ✓ Nomination committee

Each committee has adopted appropriate formal terms of reference and each committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year. During the year under review, there Board spent a considerable amount of time engaging shareholders, and stakeholders more broadly, on its decision to exit Australia.

AUDIT COMMITTEE

The Audit committee's primary purpose is to provide financial oversight on behalf of the Board in compliance with the statutory duties and responsibilities in terms of the Companies Act, JSELR and the King IV™ Code. The committee has adopted appropriate formal terms of reference and is responsible for:

- ✓ Performing its statutory duties as prescribed by the Companies Act, with specific reference to audit quality, auditor independence and financial policies and reporting concerns.
- ✓ Considering the financial performance, financial position, cash flow and treasury status of the Company on a quarterly basis.
- ✓ Overseeing, assessing and approving the internal and external audit functions with respect to appointment, work plans, quality of work executed, matters arising from the work performed and independence.
- ✓ Reviewing the expertise, resources and experience of the finance function and evaluating the suitability of the expertise and experience of the Chief Financial Officer.

- ✓ In conjunction with the Social and ethics and Risk committees: considering the risk management framework and policy insofar as they relate to assessing internal financial reporting risks as well as the adequacy of the financial risk management process, financial controls, fraud and non-compliance risks and IT risks.
- ✓ Overseeing the quality of, and reporting by, assurance services within the Group and assurance providers in order to ensure the integrity of information for internal and stakeholder decision-making as well as the adequacy and effectiveness of internal controls.
- ✓ Recommending to the Board for approval the interim and annual financial statements, including the solvency and liquidity of the Group and the Integrated Report.

The committee confirms that it has discharged its responsibilities as mandated by the Board, its statutory duties in compliance with the Companies Act and the JSELR, and best practice in corporate governance as set by King IV™.

The Audit committee specifically addressed the following matters in FY2022:

Focus area	Activities and explanation
The decision to withdraw further funding to the Australian operations, the classification of the Australian subsidiaries as discontinued operations and the calculation of the loss of control.	<p>Prior to the decision of the Board to withdraw further funding of the Australian operations, the committee in conjunction with management, reviewed and assessed the following material financial information:-</p> <p>The worsened performance of the Australian operations for the six month period ending 31 December against the backdrop of the revised business strategy implemented in FY2021</p> <ul style="list-style-type: none"> ✓ The quantum of the additional parent company funding and balance sheet exposure necessary for the Australian businesses to continue to operate and the associated risk of doing so ✓ The contingent risks in existing and legacy projects that would likely impact the future performance of the Australian operations ✓ The consequences of the Australian operations entering into voluntary administration including: <ul style="list-style-type: none"> ✓ the quantum of parent company guarantees (PCG) given to Australian guarantee providers ✓ the potential exposure arising from the PCG provided to the client on the WRU project and the duration thereof ✓ the funding required to honour the Group's obligations under the PCGs and the impact on the liquidity and working capital position of the continuing operations ✓ confirmation of the ongoing support of the continuing operations from the South African financial institutions ✓ the solvency of the Group following the derecognition of the Australian subsidiaries from the consolidated financial statements ✓ the quantum and sufficiency of the provision to be recognised by the Group for the obligations under the PCGs, upon implementing the decision <p>The committee's assessment of the risk of providing continued funding to the Australian operations was to recommend the withdrawal of such funding to the Board.</p> <p>In the second half of the reporting period, the committee monitored the ongoing developments surrounding the decision which included:-</p> <ul style="list-style-type: none"> ✓ Monitoring the progress of the administration proceedings ✓ Reviewing the terms of the Deed of Creditors Arrangement (DOCA) and the deed agreed to with the client of WRU ✓ Obtaining regular updates from management on the position negotiated with the Australian guarantee providers ✓ Reviewing the key terms accepted by management for the external funding of the Group's obligations in connection with the PCG agreed to by management ✓ Evaluating the 12-month forward-looking cash forecasts of the Group <p>From a technical perspective, the committee confirmed with management and the auditors that the Australian operations were correctly accounted for in terms of IFRS 5: Discontinued Operations and reviewed the accompanying notes to the financial statements.</p>

CORPORATE GOVERNANCE REPORT continued

Focus area	Activities and explanation
Qualified audit opinion	<p>The committee received and reviewed the external audit opinion pertaining to the consolidated annual financial statements for the year ended 30 June 2022.</p> <p>The committee obtained an understanding of the reasons behind the limited financial information available from 1 February to 23 February 2022 and access to Australian management personnel as well as the actual audit procedures performed by the auditors in connection with the discontinued operations.</p>
Going concern assessment	<p>The loss from discontinued operations and the loss of control of subsidiaries in Australia resulted in the net asset value of the Group decreasing by approximately R3 billion at 30 June 2022. During the reporting period the Group sent a further R1.3 billion in cash to Australia and at 30 June 2022 raised an accrual for further anticipated cash outflows of R0.6 billion in FY2023.</p> <p>Due to the materiality of these amounts, the committee gave increased attention to the directors' going concern assessment of the Group.</p>
Taxation	<p>The committee reviewed and approved the tax policy of the Group. The committee obtained and considered a quarterly tax report from management providing details of the prevailing tax risks and tax matters being attended to and monitored the outcome of tax audits conducted by revenue authorities.</p> <p>A key concern noted by the committee was the perceived aggressive approach adopted by revenue authorities post Covid-19 in all tax jurisdictions.</p> <p>Considered the tax accrual review undertaken by BDO and noted that no significant matters of concern were reported.</p> <p>The committee also reviewed and considered the recognition and recoverability of current and deferred tax assets.</p>
Timing and impact of the mandatory audit firm rotation	<p>The Independent Regulatory Board for Auditors (IRBA) has prescribed that external auditors of Public Interest Entities must comply with mandatory audit firm rotation (MAFR) for year-ends commencing on or after 1 April 2023. In FY2021, the committee concluded that a new external audit firm will be appointed for the audit of the year ending 30 June 2024. The Group has issued a request for proposal to five firms with three being short-listed to make a final proposal.</p>
IT governance (including cyber security risks)	<p>In FY2021, the Group obtained external verification that governance over the IT control landscape, enterprise architecture and the quality of operations and IT support was suitable for an organisation of WBHO's nature. The Group's approach to managing a major cybercrime event was carried over to FY2022. In FY2022, the committee reviewed management's assessment of the impact of a cybercrime event on the Group and the need for related insurance cover, and concurred with management's view that any downtime and restoration costs associated with such an event would not be crippling to the wider operations and that the limited extent of the cover provided by insurers and the deductibles payable in the event of a claim did not support the cost thereof.</p> <p>External confirmations were also obtained with regard to the security of internal and external systems and threats identified were resolved.</p>
Corporate governance	<p>In order to meet its obligations when approving the consolidated annual financial statements for the Group in terms of section 3.84(g) of the JSE Listings Requirements, the committee assessed the internal control processes over the consolidation of the various entities including the preparation of subsidiary packs, compiled in accordance with IFRS and signed off by the relevant external auditors prior to consolidation.</p> <p>The committee reviewed a reconciliation prepared by management of revenue and operating profit from the Management Accounting Reports to the Financial Statements and obtained confirmation from the auditors of the Group that the audits of the financial statements of all material subsidiaries had been completed.</p> <p>The Committee also confirmed that the necessary processes were in place for the CEO and CFO sign their Responsibility Statement in terms of section 3.84(k) of the JSE Listings Requirements.</p>
Internal Audit	<p>Deloitte & Touche SA are the Internal Auditors for the African Group and attend all the Audit Committee meetings. During the financial year, the auditors performed internal audits on 18 projects which translated into 61% of the total contract value. Overall the Group achieved a "Satisfactory" outcome. The area where deficiencies were noted is receiving the necessary attention by management.</p>

CORPORATE GOVERNANCE REPORT continued

The committee will continue to operate within its mandate and address all regular matters reserved for its consideration in FY2023 as well as giving specific focus to the following areas:

- ✓ Monitoring the actions and steps necessary to finalise the exit from Australia, including the funding thereof
- ✓ Monitoring the performance of the continuing operations of the Group in light of the substantial increase in order book levels and the volume of work to be executed
- ✓ Continue to monitor and assess the liquidity, working capital and going concern position of the Group

Composition and attendance at meetings

During the year under review the committee members comprised independent non-executive directors. All members have the requisite business, financial and leadership skills for the position.

Composition	Appointed	Meeting attendance	Other regular attendees
Cobus Bester (Chairman)	1 November 2017	4/4	• Chief Executive Officer
Karen Forbay	1 November 2017	4/4	• Chief Financial Officer
Ross Gardiner	28 April 2014	4/4	• Group Reporting representative
Savannah Maziya	29 August 2017	4/4	• Information Technology representative
			• Internal auditors
			• External auditors

Refer to page 72 of the Integrated Report for detailed qualifications and experience of committee members. Designated advisors may from time to time be invited to meetings.

The Chairman met separately with management, the Chief Audit Executive and the external and internal auditors prior to each meeting. During the year under review, no closed sessions with management or internal and external auditors were held for committee members only.

RISK COMMITTEE

The Risk Committee oversees the governance of risks faced by the Group on behalf of the Board. Its primary objectives during the year, which are outlined in the Risk Management Charter, included:

- ✓ Evaluation of the risk universe within which the Group operates.
- ✓ Ensuring that a thorough business risk assessment is undertaken and a risk profile is compiled by management.
- ✓ Oversight of the risk management processes of the Group.
- ✓ Satisfying corporate governance reporting requirements.

During the year under review, all members of the Risk Committee were independent non-executive directors.

Composition	Appointed	Meeting attendance	Other regular attendees
Ross Gardiner (Chairman)	28 April 2014	2/2	• Chief Executive Officer
Cobus Bester	1 November 2017	2/2	• Chief Financial Officer
Karen Forbay	1 November 2017	2/2	• Finance representative
Savannah Maziya	29 August 2017	2/2	• Risk representative

For more on the key risk processes, top risks and mitigation plans, please see our separately published 2022 Integrated Report. In FY2022, the Risk Committee focused on:

- ✓ Continued to assess the operational and procurement risks faced by the Company with a specific focus on material scarcity and procurement levels in the UK, skills retention, project execution and the sovereign risk of new geographies.
- ✓ Monitored the financial and reputational risks relating to the administration of the Australian businesses.
- ✓ Assessed and evaluated any remaining risks associated with Covid-19 on the organisation as a whole and monitored the vaccination levels among staff.

- ✓ Oversaw improvements in the identification and communication of project risks.
- ✓ Equipped the risk function so that it plays an advisory role by proactively providing vital information for strategic decision-making.
- ✓ Monitored the risk management processes implemented in the UK.

The committee's focus areas for FY2023 will be to:

- ✓ Continue to monitor the operational and procurement risks faced by the company.
- ✓ Monitor the implementation of the Related Party Policy throughout the Group.

SOCIAL AND ETHICS COMMITTEE

The Social and ethics committee comprises three independent non-executive directors, the Company Secretary and two senior members of management.

The Social and ethics committee is constituted in terms of section 72(4) of the Companies Act of South Africa and its accompanying regulations to implement the mandate prescribed by regulation 43(5). The committee performs an oversight role from a compliance perspective and its primary functions, which are outlined in the Social and ethics committee Charter, include:

- ✓ Ensuring that WBHO conforms to all appropriate legislation and standards of best practice.
- ✓ Ensuring that the UNGC and ILO principles, in terms of human rights, labour and corruption, are upheld.
- ✓ Obtaining confirmation of adherence to environmental and health and safety laws.
- ✓ Advancing the empowerment and transformation objectives of WBHO, which include preferential procurement, social economic development and emerging contractor development.

CORPORATE GOVERNANCE REPORT continued

Composition	Appointed	Meeting attendance	Other regular attendees
Hatla Ntene (Chairman)	1 November 2017	2/2	<ul style="list-style-type: none"> • Environment • Health and Safety • Human Resources • Quality Transformation • Governance
Karen Forbay	1 November 2017	2/2	
Ross Gardiner	1 November 2017	2/2	
Samuel Gumede	24 January 2018	2/2	
Andrew Logan	13 September 2013	2/2	
Donna Msiska	1 April 2021	2/2	

In FY2022, the Social and ethics committee focused on:

- ✓ Training conducted in FY2022 and training plans for FY2023 as part of WBHO's anti-bribery and corruption prevention and detection programme.
- ✓ Reviewing and assessing reports from management in respect of safety, environmental, human capital training and empowerment and investment in social economic development.
- ✓ Continue to assess avoidable staff turnover rates for professional staff and the trends behind resignations.
- ✓ Progress on CCMA and Labour Court matters and consideration of how these could impact future employee relations practices.

The committee's focus areas for FY2022 will be on:

- ✓ Reviewing the regulatory risk matrices for South Africa, Mozambique, Zambia and the United Kingdom. Updating and preparing the regulatory risk matrix for each of the remaining countries will be progressed in FY2023.
- ✓ A committee evaluation to assess performance and identify potential areas for improvement.

REMUNERATION COMMITTEE

The Remuneration committee ensures that WBHO's remuneration policy is fair and reasonable, while remaining compliant with regulatory and governance requirements, and that remuneration practices deliver shareholder value. It also ensures the establishment of an appropriate remuneration framework and adoption of remuneration policies that aim to attract and retain top talent, support the Group's long-term strategy and drive sustainable performance.

The Remuneration committee's full report as well as the Remuneration and Implementation report are included from page 82 of our Integrated Report.

The Remuneration committee comprises three independent non-executive directors.

Composition	Appointed	Meeting attendance	Other regular attendees
Savannah Mayiza (Chairman)	25 October 2006	3/3	<ul style="list-style-type: none"> • Executive chairman • Chief Executive Officer • Chief Financial Officer, Human Resources
Ross Gardiner	11 March 2014	3/3	
Hatla Ntene	1 November 2017	3/3	

In FY2022, the Remuneration committee specifically focused on:

- ✓ Reviewing and approving the Remuneration policy and Remuneration and Implementation report for FY2022, having given consideration to the incentives awarded in the context of Group and divisional performance and current economic conditions.
- ✓ Review of the performance matrices and their relative weightings in relation to long-term and short-term incentives, taking cognisance of the effect of the administration of Australia on the Group's performance and its ability to achieve targets across the selected matrices and criteria as a consequence thereof.
- ✓ Remuneration packages and benefits for executive directors to ensure that remuneration packages are effective in driving WBHO's strategy and behavior.

In keeping with the requirements of King IV™, an internal evaluation of the committee was conducted during the year and there were no significant matters of concern noted.

The committee's focus areas for FY2023 will be on:

- ✓ Applying consistent remuneration structures and reporting across all regions.
- ✓ Formation of a remuneration committee in the United Kingdom reporting to the executive directors who in turn will report to the Remuneration committee.
- ✓ Reviewing current policies and procedures applicable to the Remuneration committee and ensuring that new policies and procedures are implemented as and when the need arises to support Remuneration committee decisions.
- ✓ Place specific attention on the methodology and application of LTIs and STIs as this area continues to evolve.

NOMINATION COMMITTEE

All independent non-executive directors and the Executive Chairman are members of the Nomination committee. The committee is chaired by the LID. The Nomination committee identifies and recommends individuals for Board appointments. Members of the committee consider specific skills, Board composition requirements and race and gender balance when nominating candidates. The committee also assists with, succession planning, reviewing committee structures and reviewing Board and Committee performance. The committee is responsible for ensuring the integrity of the nomination process.

Composition	Appointed	Meeting attendance	Other regular attendees
Ross Gardiner (Chairman)	28 April 2014	2/2	<ul style="list-style-type: none"> • Chief Executive Officer • Chief Financial Officer
Cobus Bester	1 November 2017	2/2	
Karen Forbay	1 November 2017	2/2	
Savannah Mayiza	25 October 2006	2/2	
Hatla Ntene	1 November 2017	2/2	
Louwtjie Nel	20 November 2019	2/2	

CORPORATE GOVERNANCE REPORT continued

Following the resignation of Savannah Maziya from the Board, the committee will seek, interview and appoint a new non-executive director during FY2023. The appointment of the new non-executive director shall take into consideration the Diversity Policy and the succession needs of the Board.

Succession planning is approached in an organised manner by following a staggered approach over the remaining period of a key member's tenure. This methodology ensures that the introduction of members with new expertise and perspectives is accomplished, while enabling the retention of valuable knowledge, skills and experience and maintaining continuity.

In FY2022, succession planning pertaining to the Group's executive team continued to receive the focus of the Nomination Committee. A guideline document will be developed and finalised in FY2023 to support this effort.

COMPANY SECRETARY

The individual directors and the Board as a whole have unrestricted access to the advice and services of the Company Secretary, who provides guidance to the Board and to the directors on how their responsibilities should be discharged. The Company Secretary is exposed to the daily operations of the Company, further embedding and embracing good corporate governance with the aim to improve all areas of compliance.

The Company Secretary has oversight of the induction of newly appointed directors and the continuous training of all directors, including regular updates when changes in legislation and regulations occur that affect the Company. In consultation with the Chairman and the Chief Executive Officer, the Company Secretary ensures that the annual Board plan is set and that the Board agendas are relevant to Board decision-making.

In compliance with paragraph 3.84(j) of the JSELR, an annual evaluation of the Company Secretary was carried out by the Board. The results of the evaluation confirmed that the Company Secretary demonstrated the requisite level of knowledge and experience to carry out her duties.

The Board is also comfortable that the Company Secretary maintains an arm's-length relationship with individual directors and confirms that she is not a public officer of the Company or any of its subsidiaries.

OTHER GOVERNANCE MATTERS

Integrated compliance

The Board is satisfied that the Company has complied with all relevant provisions of the Companies Act of South Africa and has operated in accordance with its MOI during the year.

WBHO is made aware of and complies with all relevant legislation and anticipates the statutory requirements of all bills and other regulations. The Social and ethics committee assumes oversight of the compliance function within the Group.

The compliance function of the Group includes a compliance officer assisted by the Company Secretary, internal legal counsel and other assurance providers from the support services of the Group.

Assessments of legal compliance are regularly undertaken by independent legal experts in key areas of the business in order to provide additional assurance. The compliance function provides guidance and assurance to WBHO and the Board and its relevant committees on the level of compliance within the organisation, while also promoting a corporate culture of compliance. It ensures that all business, legislative and administrative processes and procedures are implemented, monitored and adhered to thereby reducing the potential for reputational risk.

WBHO has a zero-risk appetite for regulatory non-compliance and there were no significant shortcomings requiring remedial action in the current year. The compliance function and processes are subjected to an internal audit review on a regular basis.

Please refer to the Integrated Report for further details regarding WBHO's mitigation of the risk of non-compliance to laws and regulations.

Information Technology (IT) and cyber security

The Board is responsible for the governance of IT, assisted by the Audit and Risk committees. An IT governance framework has been approved and implemented.

IT risk management forms part of IT governance and is embedded into the risk management process of the Group. The IT steering committee holds responsibility for the IT governance framework as well as the IT risk management framework. The IT steering committee holds quarterly meetings with senior operational and financial management to ensure that IT is prioritised in accordance with the Group strategy and the current business needs of the organisation. The committee is responsible for ensuring effective, appropriate IT support and governance.

IT investment and expenditure budgets are presented to the Executive committee for approval following consultation with operational management having given due consideration of the overall business requirements. The Executive committee is appraised of actual expenditure against the approved budget. Appropriate controls have been implemented to ensure that all organisation, employee and client information is properly protected in compliance with the Protection of Personal Information Act.

During the year under review, a penetration test was successfully conducted by an independent agency and zero (FY2021: one) external critical threat and four (FY2021: 11) internal threats were identified. All threats were subsequently resolved.

The IT department embarked on a number of projects in the current year to improve the group's exposure to cyber security threats by making use of the services of hackers to identify gaps; obtaining software that further tightens cyber security and introducing short awareness campaigns for all employees, throughout the year, in regards to cyber security threats.

Sponsor

WBHO fully understands the role and responsibilities of the sponsor as stipulated in the JSELR and has cultivated a good working relationship with its sponsor, Investec Bank Limited. The Group is satisfied that the sponsor has met the necessary independence requirements and executed its mandate with due care and diligence for the year under review.

Taxation

The Group's tax department, headed by the CFO, ensure compliance of the African operations to the relevant tax legislation. To the extent required, particularly in the Rest of Africa, reputable external tax consultants are utilised to aid the tax department. The UK businesses are responsible for compliance with the applicable UK legislation.

On a quarterly basis, the tax department submits a report to the Audit committee highlighting the progress of tax audits and identifying areas of risk or trends by tax authorities.

The Group is fully compliant with the relevant tax legislation in all the countries in which it has a presence.

PERFORMANCE DATA



PERFORMANCE DATA

Every effort has been taken to ensure the accuracy of the reported data. WBHO recognises that some data may be subject to uncertainty relating, for example, to different interpretations of the internal reporting guidelines and possible human error in recording and submitting data. The continuous improvement of data quality and accuracy is receiving ongoing attention.

HUMAN CAPITAL

WORKFORCE ANALYSIS

Employment type	Monthly		Hourly		2022		2022 Total	2021 Total	2020 Total	2019 Total	2018 Total
	Male	Female	Male	Female	Male	Female					
South Africa	1 066	365	2 348	309	3 414	674	4 088	4 278	4 781	6 886	7 421
Rest of Africa	236	16	1 641	167	1 877	183	2 060	2 168	2 798	2 969	2 378
United Kingdom	222	52	340	3	562	55	617	664	773	1 127	–
Total	1 524	433	4 329	479	5 853	912	6 765	7 110	8 352	10 982	9 799
Total 2021	1 648	439	4 520	503	6 168	942	7 110				

South Africa demographics	African		Coloured		Indian		White		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
2022	2 760	460	145	70	67	32	442	112	4 088
2021	2 746	432	312	94	67	34	480	113	4 278
2020	3 228	446	255	98	67	36	529	122	4 781
2019	4 881	710	306	80	75	38	645	150	6 885
2018	5 260	708	431	102	78	36	654	152	7 421

	2022	2021	2020	2019	2018
Workforce by business unit					
Building and civil engineering	1 458	1 788	2 073	3 616	3 683
Roads and earthworks	4 353	4 288	5 097	5 963	5 852
United Kingdom	617	664	773	1 127	–
Other*	337	370	409	276	264
Total	6 765	7 110	8 352	10 982	9 799

* Other includes administration functions and Construction materials.

PERFORMANCE DATA continued

HUMAN CAPITAL continued

WORKFORCE ANALYSIS continued

	2022	2021	2020	2019	2018
Staff turnover					
South Africa					
Resignations	107	167	115	121	143
Retrenchments	31	400	265	275	226
Retirements	13	45	33	25	40
Deaths	3	28	9	12	9
Total	154	640	422	433	418
Avoidable staff turnover (permanent employees)	7,5%	11,4%	7,3%	6,3%	6,7%
Rest of Africa					
Resignations	11	61	13	18	24
Retrenchments	1	408	183	229	21
Retirements	3	5	7	2	5
Deaths	1	10	4	2	2
Total	16	484	207	251	52
Avoidable staff turnover (permanent employees)	4,4%	20,5%	3,9%	6,0%	8,0%
United Kingdom					
Resignations	71	37	40	28	–
Retrenchments	2	46	40	14	–
Retirements	3	–	5	1	–
Deaths	1	–	–	–	–
Total	77	83	85	43	–
Avoidable staff turnover (permanent employees)	25,9%	11,4%	10,8%	7,5%	–
Retrenchments					
Building and civil engineering	172	399	155	183	205
Roads and earthworks	265	369	246	321	38
United Kingdom	3	46	40	14	–
Other*	3	40	47	–	4
Total	443	854	488	518	247

* Other includes administration functions and Construction materials

PERFORMANCE DATA continued

HUMAN CAPITAL continued

WORKFORCE ANALYSIS continued

	2022	2021	2020	2019	2018
Industrial relations					
Total person days lost					
South Africa	10 033	9 613	43 340	22 379	6 331
Rest of Africa	3 806	75 143	9 709	–	13 504
United Kingdom	–	–	–	–	–
Total	13 839	84 756	53 049	22 379	19 835

TRAINING

R'000	2022	2021	2020	2019	2018
Spend					
South Africa and rest of Africa					
Building and civil engineering	36 994	45 759	42 992	40 552	37 397
Roads and earthworks	21 513	23 930	26 812	39 607	39 663
Other*	20 421	18 290	23 868	11 976	8 655
	78 928	87 979	93 672	92 135	85 715
United Kingdom	1 745	1 638	1 936	2 962	–
Total	80 673	89 617	95 608	95 097	85 715

* Other includes administration functions and Construction materials.

LEARNERSHIPS

	2022	2021	2020	2019	2018
Number of learners					
Apprenticeships	7	12	12	14	19
Adult Basic Education and Training	–	–	–	10	4
NQF 1 National (manufacturing engineering)	–	–	–	3	–
NQF 2 (construction and roadworks)	9	11	11	15	11
NQF 3 (business administration, general management)	4	3	6	10	–
NQF 3 (health and safety and roadworks)	–	–	–	–	–
NQF 4 (business administration, surveying and supervision of construction)	24	24	43	59	54
NQF 5 (construction management)	–	–	1	2	2
Total	44	50	73	113	90

PERFORMANCE DATA continued

HEALTH AND SAFETY

	Measurement	2022	2021	2020	2019	2018
Lost-time injury frequency rate (LTIFR)						
South Africa and the rest of Africa	Rate	0.29	0.36	0.41	0.41	0.71
United Kingdom	Rate	0.32	0.75	3.01	3.94	–
Group	Rate	0.30	0.39	0.52	0.68	0.71
Recordable case rate (RCR)						
South Africa and the rest of Africa	Rate	0.24	0.26	0.27	0.28	0.54
United Kingdom	Rate	0.70	0.75	1.72	2.06	–
Group	Rate	0.27	0.31	0.39	0.42	0.54
All Injury Frequency Rate (AIFR)						
South Africa and the rest of Africa	Rate	0.45	0.58	0.77	0.39	0.48
United Kingdom	Rate	2.91	3.35	4.39	2.17	–
Group	Rate	0.63	0.79	1.11	0.53	0.48
Work-related fatalities						
South Africa and the rest of Africa	Number	1	2	3	3	3
United Kingdom	Number	–	–	–	–	–
Group	Number	1	2	3	3	3
Employees trained in health and safety						
South Africa and the rest of Africa	Number	1 099	1 080	896	1 378	1 639
United Kingdom	Number	1 039	1 690	706	1 152	–
Group	Number	2 138	2 770	1 602	2 530	1 639
Safety audits conducted						
South Africa and the rest of Africa	Number	202	110	88	114	121
United Kingdom	Number	74	179	296	12	–
Group	Number	276	289	384	126	121
Non-compliance findings						
South Africa and the rest of Africa	Number	19	41	102	135	187
United Kingdom	Number	16	6	48	65	–
Group	Number	35	47	150	200	187

PERFORMANCE DATA continued

QUALITY

	Measurement	2022	2021	2020	2019	2018
QMS site coverage						
South Africa and rest of Africa	Percentage	100	100	100	100	100
United Kingdom	Percentage	100	100	100	100	–
Internal audits						
South Africa and rest of Africa	Number	157	134	144	187	159
United Kingdom	Number	44	40	37	35	–
Total number of audits	Number	201	192	186	237	193
Sites covered by audit (audit coverage)						
South Africa and rest of Africa	Percentage	54	53	58	59	49
United Kingdom	Percentage	100	95	93	90	–
Corrective action notifications (CANs)						
South Africa and rest of Africa	Number	263	391	473	528	534
United Kingdom	Number	40	30	43	66	–
Total number of CANs	Number	303	487	561	653	643
Non-conformance reports (NCR)						
South Africa and rest of Africa	Number	781	1 477	1 946	1 470	2 284
United Kingdom	Number	237	223	342	322	–
Total number of CANs	Number	1 018	1 700	2 288	1 792	2 284
Supplier audits						
South Africa and rest of Africa	Number	49	38	40	58	89
United Kingdom	Number	126	40	19	–	–
Total number of supplier audits	Number	175	78	59	58	89
Supplier inspections						
South Africa and rest of Africa	Number	67	106	32	106	60
United Kingdom	Number	9	5	6	–	–
Total number of supplier inspections	Number	76	111	38	106	60
Employees trained in QMS						
South Africa and rest of Africa	Number	6	69	152	192	385
United Kingdom	Number	328	86	203	215	–
Total number of employees trained	Number	334	155	355	407	385

PERFORMANCE DATA continued

ENVIRONMENTAL

	Measurement	2022	2021	2020	2019	2018
Greenhouse Gases (GHG)						
Direct carbon dioxide (CO ₂) Scope 1	Tonnes	28 558	33 590	44 132	43 959	40 438
Indirect carbon dioxide (CO ₂) Scope 2	Tonnes	7 332	5 762	4 933	4 298	4 263
Indirect carbon dioxide (CO ₂) Scope 3	Tonnes	56 056	52 490	32 389	43 285	3 267
Total GHG (CO₂ equivalent)	Tonnes	91 946	91 842	81 454	91 542	47 968
Water						
Total water use	Gigalitres	1,9	3,4	3,6	2,4	3,5
Waste						
Total waste generated	Tonnes	89 668	74 680	80 925	79 923	33 667
Recycled	Tonnes	27 756	47 401	70 043	62 215	11 003
EMS site coverage						
South Africa	Percentage	100	98	98	98	97
United Kingdom	Percentage	100	100	100	–	–
Internal audits						
South Africa	Number	92	51	81	95	89
United Kingdom	Number	74	179	296	174	–
Total number of audits	Number	166	230	377	269	89
Sites covered by audit (audit coverage)						
South Africa	Percentage	100	80	83	90	90
United Kingdom	Percentage	100	100	100	100	–
Non-compliance findings						
South Africa	Number	8	28	34	18	17
United Kingdom	Number	1	6	7	25	–
Total number	Number	9	34	41	43	17

GRI CONTENT INDEX



GRI CONTENT INDEX

This report has been prepared in accordance with the GRI Standards: Core option.

ESG: See the corresponding pages in this report
 IR: See the corresponding pages in the 2022 Integrated Report
 AFS: See the corresponding pages in 2022 Annual Financial Statements

GENERAL DISCLOSURE

Disclosure number	Disclosure title	Document reference	Page reference
102-1	Name of the organisation	IR	5
102-2	Activities, brands, products, and services	IR	5, 9 – 13
102-3	Location of headquarters	IR	IBC
102-4	Location of operations	IR	5,9
102-5	Ownership and legal form	IR	5
102-6	Markets served	IR	5, 9 – 13
102-7	Scale of the organisation	IR	9 – 13
102-8	Information on employees and other workers	ESG	16 – 24
102-9	Supply chain	ESG	37 – 41
102-10	Significant changes to the organisation and its supply chain	IR	5 – 7
102-11	Precautionary Principle or approach	ESG	12 – 14
102-12	External initiatives	ESG	12
102-13	Membership of associations	ESG	12
102-14	Statement from senior decision-maker	ESG	6 – 7
102-15	Key impacts, risks, and opportunities	IR	15 – 24, 38 – 42
102-16	Values, principles, standards, and norms of behaviour	IR	10
102-18	Governance structure	ESG	56 – 66
102-40	List of stakeholder groups	IR	25 – 30
102-41	Collective bargaining agreements	ESG	19
102-42	Identifying and selecting stakeholders	IR	27 – 29
102-43	Approach to stakeholder engagement	IR	25 – 29
102-44	Key topics and concerns raised	IR	27 – 29
102-45	Entities included in the consolidated financial statements	AFS	79 – 77
102-46	Defining report content and topic boundaries	ESG	2, 5
102-47	List of material topics	ESG	2, 5
102-48	Restatements of information	IR	5

GRI CONTENT INDEX continued

GENERAL DISCLOSURE continued

Disclosure number	Disclosure title	Document reference	Page reference
102-49	Changes in reporting	ESG	5
102-50	Reporting period	ESG	5
102-51	Date of most recent report	ESG	5
102-52	Reporting cycle	ESG	5
102-53	Contact point for questions regarding the report	ESG	IFC
102-54	Claims of reporting in accordance with the GRI Standards	ESG	5, 76 – 79
102-55	GRI content index	ESG	76 – 79
102-56	External assurance	ESG	5
103-1	Explanation of the material topic and its boundary	ESG	5
103-2	The management approach and its components	ESG	10 – 14
103-3	Evaluation of the management approach	ESG	16 – 74

TOPIC-SPECIFIC DISCLOSURES

Disclosure number	Disclosure title	Document reference	Page reference	Material sustainability issue addressed
201-1	Direct economic value generated and distributed	ESG	54	Communities
201-2	Financial implications and other risks and opportunities due to climate change	ESG	48 – 53	Responsible environmental business practices
201-3	Defined benefit plan obligations and other retirement plans		ESG: 18 AFS: 44, 66 – 68	Communities
201-4	Financial assistance received from government	AFS	78	Communities
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	ESG	18	Communities
202-2	Proportion of senior management hired from the local community	ESG	17 – 20	Communities
203-1	Infrastructure investments and services supported	ESG	42 – 57	Communities
203-2	Significant indirect economic impacts	ESG	12 – 14	Communities
204-1	Proportion of spending on local suppliers	ESG	45	Communities
205-1	Operations assessed for risks related to corruption	ESG	12 – 14	Governance
205-2	Communication and training about anti-corruption policies and procedures	ESG	11, 64 – 65	Governance
207-1	Approach to tax	IR	66	Communities
301-1	Materials used by weight or volume	ESG	48 – 53, 74	Responsible environmental business practices
301-2	Recycled input materials used	ESG	53	Responsible environmental business practices
301-3	Reclaimed products and their packaging materials	ESG	53	Responsible environmental business practices

GRI CONTENT INDEX continued

TOPIC-SPECIFIC DISCLOSURES continued

Disclosure number	Disclosure title	Document reference	Page reference	Material sustainability issue addressed
302-1	Energy consumption within the organisation	ESG	52	Responsible environmental business practices
302-3	Energy intensity	ESG	52	Responsible environmental business practices
303-1	Interactions with water as a shared resource	ESG	53	Responsible environmental business practices
303-2	Management of water discharge-related impacts	ESG	53	Responsible environmental business practices
303-3	Water withdrawal	ESG	53	Responsible environmental business practices
303-5	Water consumption	ESG	53	Responsible environmental business practices
305-1	Direct (Scope 1) GHG emissions	ESG	52	Responsible environmental business practices
305-2	Energy indirect (Scope 2) GHG emissions	ESG	52	Responsible environmental business practices
305-3	Other indirect (Scope 3) GHG emissions	ESG	52	Responsible environmental business practices
306-2	Waste by type and disposal method	ESG	53	Responsible environmental business practices
306-3	Significant spills	ESG	53	
306-4	Transport of hazardous waste	ESG	53	Responsible environmental business practices
306-5	Water bodies affected by water discharges and/or runoff	ESG	53	Responsible environmental business practices
307-1	Non-compliance with environmental laws and regulations	ESG	49	Responsible environmental business practices
308-2	Negative environmental impacts in the supply chain and actions taken	ESG	13, 37 – 41, 73	Responsible environmental business practices
401-1	New employee hires and employee turnover	ESG	16 – 17, 69	Communities
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG	18, 20	Communities
402-1	Minimum notice periods regarding operational changes	ESG	19	Communities
403-1	Occupational health and safety management system	ESG	26 – 36	Health and safety
403-2	Hazard identification, risk assessment, and incident investigation	ESG	28 – 34	Health and safety
403-3	Occupational health services	ESG	26 – 36	Health and safety
403-4	“Worker participation, consultation, and communication on occupational health and safety”	ESG	26 – 36	Health and safety
403-5	Worker training on occupational health and safety	ESG	26 – 36	Health and safety
403-6	Promotion of worker health	ESG	20	Communities
403-7	“Prevention and mitigation of occupational health and safety impacts directly linked by business relationships”	ESG	20	Communities
403-8	“Workers covered by an occupational health and safety management system”	ESG	26 – 36	Health and safety
403-9	Work-related injuries	ESG	26 – 36	Health and safety
403-10	Work-related ill health	ESG	26 – 36	Health and safety

GRI CONTENT INDEX continued

TOPIC-SPECIFIC DISCLOSURES continued

Disclosure number	Disclosure title	Document reference	Page reference	Material sustainability issue addressed
404-1	Average hours of training per year per employee	ESG	22 – 24	Communities
404-2	Programs for upgrading employee skills and transition assistance programs	ESG	22 – 24	Communities
404-3	Percentage of employees receiving regular performance and career development reviews	ESG	22 – 24	Communities
405-1	Diversity of governance bodies and employees	ESG	58	Communities
406-1	Incidents of discrimination and corrective actions taken	ESG	13	Communities
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	ESG	19	Communities
408-1	Operations and suppliers at significant risk for incidents of child labor	ESG	13 – 14	Communities
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	ESG	13 – 14	Communities
410-1	Security personnel trained in human rights policies or procedures	ESG	13 – 14	Communities
411-1	Incidents of violations involving rights of indigenous peoples	ESG	13 – 14	Communities
412-1	Operations that have been subject to human rights reviews or impact assessments	ESG	13 – 14	Communities
412-2	Employee training on human rights policies or procedures	ESG	13 – 14	Communities
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	ESG	13 – 14	Communities
413-1	Operations with local community engagement, impact assessments, and development programs	IR	25 – 29	Communities
414-1	New suppliers that were screened using social criteria	ESG	13 – 14, 39 – 40, 73	Communities
414-2	Negative social impacts in the supply chain and actions taken	ESG	13 – 14, 39 – 40, 73	Communities
415-1	Political contributions	ESG	13	Governance
416-1	Assessment of the health and safety impacts of product and service categories	ESG	26 – 36	Health and safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	ESG	32	Health and safety
419-1	Non-compliance with laws and regulations in the social and economic area	ESG	13 – 14	Governance



STATUTORY INFORMATION

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