Building legacies. Changing lives

CALGRO M3
Group

2026
ESG REPORT

32 on Pine

About this report

The 2026 report composition

Calgro M3 Holdings Limited ("Calgro M3", "Group" or "Company") is a committed, responsible corporate citizen and produces an Integrated Annual Report reporting suite, consisting of the following components, which are available on the website for ease of reference. Our carbon footprint is reduced by making the documents electronically available.

Integrated Annual Report and Notice of Annual General Meeting

Consolidated and Separate Audited Annual Financial Statements

ESG Report

(including the approach to governance and King IV™ Application Register)

Navigation toolkit

Website reference

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Notes reference

Document reference

E Environment

S Social

G Governance

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More than 91% of Calgro M3's revenue is currently derived from residential property developments and therefore most of this ESG Report focuses on property development. Where information does not pertain to property development, it is so stated.

The full ESG Report should be read in conjunction with the Integrated Annual Report 2026, available on the website: www.calgrom3.com

www.calgrom3.com

01

ESG snapshot

Calgro M3 is focused on meeting environmental, social, governance ("ESG") and financial targets to ensure a sustainable impact. With the continuous focus on ESG matters, the Group has long recognised the value of providing insights into our sustainable and ethical responsibilities, and, as a responsible corporate citizen, has understood the need to maximise both the non-economic and economic value generated for its stakeholders.

80 DATA POINTS

Key data points

Calgro M3 is proud of the data tables included in this ESG report, seeing them as a clear expression of our commitment to transparency and informed disclosure. The data points are measured across the Group categorised by:

1. Our people
2. Health and safety
3. Corporate social responsibility
4. Our environmental efforts
5. Governance

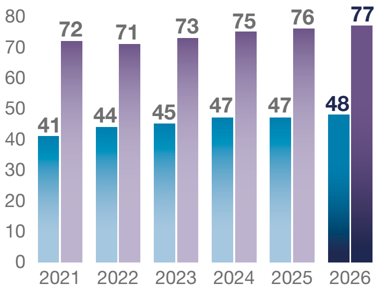
SUSTAINABLE DEVELOPMENT GOALS

Tier 1	SDGs central to achieving our strategy	Tier 2	SDGs in support of our strategy
	3 Good health and well-being; 4 Quality education; 5 Gender equality; 6 Clean water and sanitation; 7 Affordable and clean energy; 8 Decent work and economic growth; 11 Sustainable cities and communities		9 Industry, innovation and infrastructure; 10 Reduced inequalities; 12 Responsible consumption and production; 16 Peace, justice and strong institutions; 17 Partnerships for the goals

Strive for continual employee engagement, enhancement and fair treatment

Parental leave policy in place

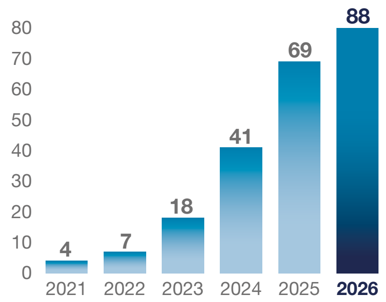
Percentage of women and HDSA employees (%)



Percentage of employees who are women (%)

Percentage of employees who are deemed HDSA (%)

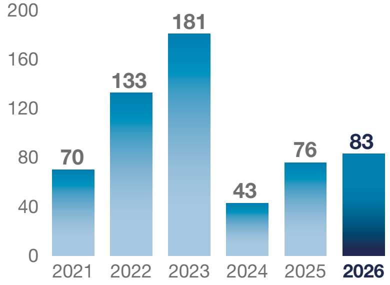
Percentage of employees trained (%)



Distribution of wealth 2026 (%)

Employees	35%
Reinvested	49%
Taxation	16%

Total volume of waste recycled or reused (tons)



Prioritising the environment, energy-efficient homes, water harvesting and conservation and the preservation of green spaces and biodiversity is a major focus

Independent Board Chairman – Lead Independent Director

Workplace fatalities – 0 fatalities

Compliance with and feedback on King IV™ application register with an outline for the adoption of King V™ across the next reporting period

Health, Safety and Environment ("HSE") Management System certification

Advanced level status retained – United Nations Global Compact

Social and Ethics Committee Report

I am pleased to present the 2026 Social and Ethics Committee Report. In the year under review, the Group demonstrated its commitment to responsible corporate citizenship by investing R1.3 million in corporate social initiatives. We take pride in supporting projects that directly benefit the communities in and around our areas of operation. Furthermore, all ethical and governance requirements were fully met and, in many cases, exceeded, with detailed disclosures provided throughout this ESG Report for our stakeholders.

Composition of the Social and Ethics Committee (“SEC”)

The Committee was established in terms of section 72 of the Companies Act 71 of 2008 and operates as a sub-committee of the Board. It provides oversight on social and economic development, governance, ethics, safety and health, environmental sustainability, and employment matters across the Group.

The Committee meets **four times a year**, and the Board is satisfied that members collectively have the skills and experience required to fulfil the Committee’s mandate.

Only official Committee members hold voting rights as outlined in the Committee charter.

The Committee is made up of **three members**, supported by four additional invitees.

- The **Chairperson** is an Independent Non-Executive Director.
- The **CEO** and another Executive Director are permanent invitees.
- The other invitees include the Head of Human Resources and the Head of HSE
- The **Company Secretary** serves as the statutory Company Secretary.

Committee members

Name	Qualifications	Years served
ME Gama	PhD (Finance)	**13 years**
TC Moodley	BCom (UJ)	**4 years**
SU Naicker	CA(SA)	**4 years**

Meetings and attendance

Committee attendance register

Member name	5 May 2025	18 July 2025	3 October 2025	13 February 2026
ME Gama	✓	✓	✓	✓
TC Moodley	✓	✓	✓	✓
SU Naicker	✓	✓	✓	✓
By invitation				
BP Malherbe#	✓	✓	✓	✓
A Langson#	✓	✓	✓	✓
W Williams#*	✓	–	–	–

By invitation.
* *Resigned 26 June 2025.*

The Executive Directors responsible for risk management, particularly ethical risk, were present at each meeting.

Mandate and responsibilities

The Committee fulfils the statutory duties outlined in section 94(7) of the Act and provides independent oversight on behalf of the Board and shareholders.

The Committee does not assume management responsibilities or those assigned to other Board Committees.

The Committee operates under formal Terms of Reference approved by the Board and which is reviewed every two years.

For the year under review, the Committee discharged all responsibilities, including:

- Reviewing accounting policies and ensuring financial reporting complies with legislation and best practice.
- Monitoring Group activities relating to:
  - **Social and economic development**, including compliance with the UN Global Compact, OECD recommendations, the Employment Equity Act, and the B-BBEE Act.
  - **Good corporate citizenship**, including promoting equality, preventing unfair discrimination, and reducing corruption.
  - **Community development**, including sponsorships, donations, and CSI contributions.
  - **Environmental, health and public safety** matters.
  - **Corporate governance.**
  - **Customer relationships**, including advertising, Public Relations ("PR"), and consumer protection compliance.
  - **Labour matters**, including alignment with the International Labour Organisation's decent work principles.
  - **Employment practices**, including talent management.

The Committee reviews matters within its scope and recommends actions to the Board. It remains committed to integrating social and environmental considerations into decision making.

Committee evaluation

In line with King IV™, the Committee's formal evaluation took place in the current financial year.

Activities in 2026 and planned activities for 2027

Activities in 2026	Planned for 2027
Reviewed the Code of Ethics and Business Conduct, and the Group's health and safety, environmental, and bursary policies.	Quarterly updates on human resources, employment equity, skills development, and CSI initiatives.
Reviewed the employment equity and skills development work plans.	Quarterly updates on health, safety, and environmental compliance.
Received quarterly updates on human resources, employment equity, skills development, and CSI initiatives.	Review of the ESG Report.
Reviewed quarterly reports on health, safety, and environmental compliance.	Quarterly review of the ethical risk and opportunity register.
Reviewed the ESG Report, including commitments to the UN Global Compact and the SDGs.	Review of the Committee's Terms of Reference.
Approved the three year employment equity plan and submitted it to the Department of Labour.	Review of the Travel, Sponsorship and Donation, and Stakeholder Communication policies.
Implemented the ethical risks and opportunities register.	

Conclusion

The Committee is satisfied that Calgro M3 continues to address the key issues requiring oversight under the Companies Act and King IV™. Appropriate policies, programmes, and monitoring processes are in place to uphold strong corporate citizenship across the Group and among all stakeholders.

ME Gama
Chairperson
Social and Ethics Committee

Our integrated approach to ESG

Sustainability, underpinned by robust ESG practices, is integral to the Group's business strategy and forms the foundation of our core principles, including delivering stable long-term growth and maximising sustainable returns for shareholders. These principles guide decision-making across the Group and underpin everything we do.

The Group recognises that long-term value creation is inextricably linked to the value we create for our broader stakeholder base. While the delivery of residential units and memorial parks provides a tangible measure of our operational output, our true value lies in creating inclusive, resilient communities that are positioned to thrive economically and socially over the long term.

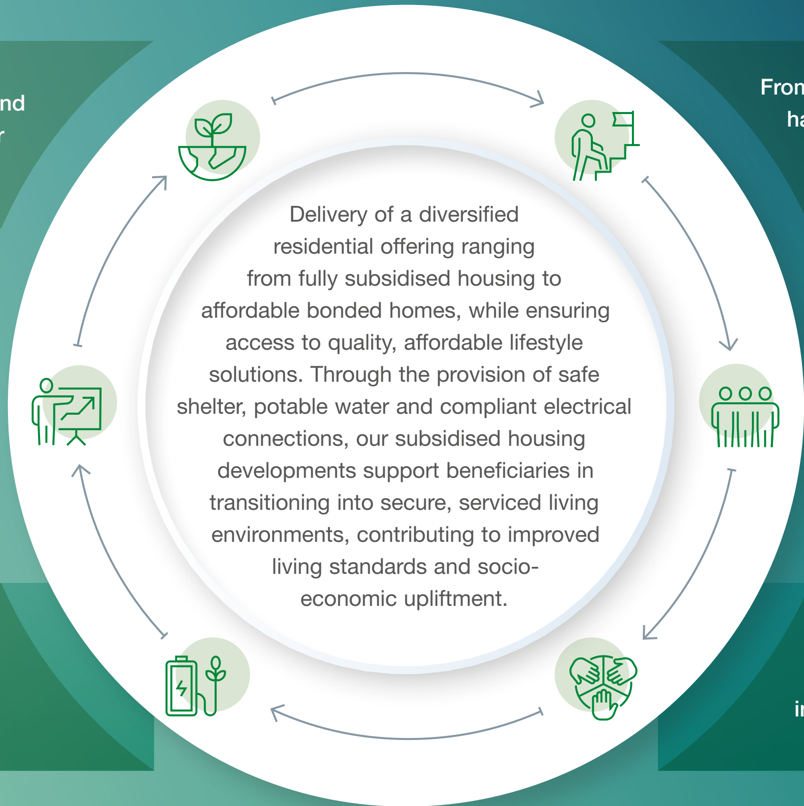
Our large-scale residential developments are designed as fully integrated neighbourhoods and include essential social and community infrastructure such as schools, shopping centres, places of worship, crèches, parks and other shared public amenities. The Group's development model extends beyond housing delivery to the provision of end-to-end infrastructure and ancillary services that support sustainable community formation.

During the development lifecycle, employment opportunities are created, skills are transferred, and local enterprise development is supported, contributing to economically active and self-sustaining communities. In addition, our town-planning approach incorporates extensive green public spaces that exceed statutory requirements, reinforcing our commitment to environmental stewardship, improved quality of life, and healthier living environments.

We take care of the environment, rehabilitating and protecting the natural surrounds, preserving them for future generations.

We create employment, provide and encourage skills training and enterprise development, and support entrepreneurship.

We incorporate energy and water solutions that are affordable, eco-friendly and durable into our design principles.



From entry to exit, in all the phases of our operations, we have a dynamic working environment, putting in place structures that will support the future success, well-being and prosperity of our communities.

We invest in the development of shared public spaces for the community and in social, educational, sport and recreational facilities.

We engage with stakeholders to understand their challenges and material needs, incorporating their inputs into our outputs.

We do this without losing focus on creating business value and profitability. We are not seduced by opportunity and our risk is carefully managed. Our day-to-day focus is firmly on achieving consistent quality outputs, ensuring excellence in the management of our operations and capital, balancing our risk exposure, and nurturing our relationships with financers, investors and partners.

Alignment with UN SDGs

SUSTAINABLE DEVELOPMENT GOALS

Calgro M3 has prioritised seven of the seventeen SDGs that align with our strategy, and five additional SDGs that are supplemental to our strategy.

CALGRO M3

Tier 1 — SDGs central to achieving our strategy

- Calgro M3 prioritises safety, health and community well-being not only in its projects but also in surrounding communities to create an ecosystem where the business and stakeholders can thrive.
- Education and skills development is a core CSR focus, with ongoing initiatives to empower youth and provide continuous skills development for employees to maintain expertise.
- The Company has gender diversity targets and proactively increases female representation across all organisational levels.
- Clean water and sanitation are essential aspects of residential developments, with ongoing monitoring of water management and efficiency.
- In response to South Africa's need for affordable energy, the Company installs viable alternative energy solutions in developments and considers these in all new project lifecycles.
- The Group enforces strict health, safety, environment and labour policies, including a zero-tolerance approach to child or forced labour, while prioritising local employment through labour desks and contractual requirements.
- Calgro M3's core purpose is to develop sustainable, integrated housing and infrastructure located near economic centres, offering diverse housing options and community amenities such as retail, schools, and recreational spaces.

Tier 2 — SDGs in support of our strategy

- Calgro M3 invests in upgrading local and surrounding infrastructure, such as roads, transport, water, and electrification, to support integrated residential communities.
- The Group works to close gender-based pay gaps and exceeds government minimum wage requirements for employees and contractors, in an effort to reduce income inequality.
- Calgro M3 prioritises safe disposal of waste and pollutants on construction sites to protect employees, contractors, and nearby residents, ensuring healthier living environments.
- Operating in a highly regulated sector, the Group upholds ethical practices, meets or surpasses regulatory standards, and partners with stakeholders who share the same approach to support ethical and compliant business practices.
- Strong relationships with communities, contractors, and all levels of government enable the Group to drive sustainable development and support long-term growth.

Engaging with stakeholders

Our approach

We define our stakeholders as any individual, group or organisation that is interested in, impacted by, or involved with the Group. This includes our employees, customers, Government, the communities we operate within, shareholders, investors, analysts, the media, environmental agencies and interest groups, suppliers, service providers and specialists, regulatory bodies, financial institutions, debt providers and joint ventures and other partners. The Group's stakeholder engagement philosophy incorporates King IV™ and the related recommendations included therein.

17 PARTNERSHIPS FOR THE GOALS

We understand that engaging our stakeholders is imperative to conducting our business in a way that is both sustainable and ethical, and most importantly, is key to understanding how we better deliver value to all our stakeholders, including those communities to whom we provide homes and memorial parks, so that we fulfil our *"Building legacies. Changing lives"* vision.

We consider stakeholder engagement and feedback to be valuable to the Group as it serves to:

- highlight potential areas of risk;
- improve awareness of market trends and innovations;
- help better understand the macroeconomic climate, socio-political and cultural dynamics;
- obtain valuable feedback on the quality of products and delivery thereof;
- provide input for continuous business improvement and promote continual learning;
- inform the public of the suite of offerings: Integrated Residential Property Developments and Memorial Parks;
- build trusting, committed and solid relationships;
- proactively manage the Calgro M3 brand and improve its visibility in the industries within which it operates;
- ensure the Company's growth, development, short and medium-term success, and long-term sustainability;
- give stakeholders a voice to ensure their concerns are considered in the decision-making process; and
- ensure governance, compliance and best practice processes are in place to support the Group to further control and sustain growth.

Channels for engagement and dialogue with a wide variety of stakeholder groups are accessible via formal and informal meetings, forums, surveys, briefings, one-on-one meetings and reviews. We ensure local communities are engaged in our activities, providing employment and skills development opportunities, as well as other platforms and forums for involvement.

Strong relationship | Developing relationship

Stakeholder	Quality of relationship	How we engage	Focus area	Our response
Employees The key resource of our Group is our people. Our employees, sub-contractors and the unions that represent them are therefore a key stakeholder group. We endeavour to attract, motivate, develop and retain a skilled and sustainable workforce to meet the current and future business needs of the Group. We actively endeavour to become an employer of choice.	Strong relationship	‣ Regular staff communications via briefings, meetings, staff newsletters, emails, internal broadcasts and presentations ‣ Management roadshows and project launches ‣ Regular formal and informal meetings held on-site with sub-contractors ‣ Social facilitation meetings held with trade unions ‣ Formal and informal social events ‣ HR policy and procedure, including staff induction and performance reviews ‣ Regular internal and external training and mentoring for staff, fostering both personal and work-related growth and skills development ‣ Management maintains an "open-door" policy where ad hoc discussions are taken up and issues resolved accordingly	**Fair work practice**	‣ Open communication, fair management practices ‣ Hands-on senior management involvement to address and resolve labour issues
			Safety	‣ Internal HSE Department that is supplemented by external consultants to oversee the implementation of policies and procedures related to the formal HSE management system, based on international standards (ISO 14001:2015 and ISO 45001:2018) and compliance with the OHS Act 85 of 1993 and its regulations
			Incentives and bonuses	‣ Endeavour to pay market-related or above salaries and rates as well as incentivise exceptional performance with performance-related bonuses
			Growth and development	‣ Offer skills development opportunities (internal and external providers) to staff and sub-contractors
			Transformation	‣ Strive for transformation of the workforce ‣ Dedicated internal B-BBEE Implementation Team to ensure transformation across all elements of the scorecard
			Succession planning	‣ HR and Corporate Governance policies support succession planning ‣ Active involvement of management and Executive Committee ("Exco") to identify and develop succession candidates ‣ Guidance and support provided by the Remuneration and Nomination Committee

Strong relationship **Developing relationship**

Stakeholder	Quality of relationship	How we engage	Focus area	Our response
Customers Our customers are a vital part of our business model. Addressing their issues and concerns is of paramount importance to us. We regularly and consistently engage with the end-users of our products – residents, homeowners, tenants, property developers and/or real estate owners and sellers who are sub-contracted by the Group, Government and then also those who have recently lost a loved one, through our memorial parks business.		• Sales teams • Written communication • Advertising campaigns • Press releases • Social media • Marketing material • Site visits • Project updates • Community forums and body corporate membership/ meetings • Marketing surveys and group SMSs • 24/7 Client Call Centre assistance and support • Dedicated client liaison	**Value for money**	• Our turnkey approach drives the affordability of end-products and is measured by 100% bonds granted by the financial institutions to our clients • Continuous comparison to other products in the market for the same price, confirms value of products
			Quality	• Quality of workmanship is constantly reviewed and formally verified • Formal project management control procedures implemented before handover to clients • 24/7 Client Call Centre established to resolve matters that are inside and outside the latent defect period
			On-time delivery	• Internal professional teams means no reliance on external suppliers in the early stages of development • Regular project manager meetings to identify issues, including senior management oversight
			Integrated, fit-for-purpose design addressing the needs of residents, the community and the environment	• Town planning is informed by design specialists, environmental plans and engagement with critical stakeholders • Village concept implemented
			Anti-competitive behaviour	• Policies and guidelines ensure rights are protected and that undue influence is not brought to bear
			Service levels	• Client service is closely monitored through client feedback. This is equally important for the Memorial Parks business
Government (local, provincial and national) We partner with Government on developments, including the local, provincial and national authorities, liaising with the Departments of Human Settlements, Health, Education and Social Services, to build communities.		• Formal and informal meetings • Steering Committee meetings • Co-facilitation of public participation forums • Partnering for training • Partnering to address specific issues • Participation in ad hoc discussions • Involvement in providing input into policy-making in conjunction with Government • Written communications	**Statutory and legal compliance**	• Transparency and compliance with various Acts, policies, procedures and guidelines
			Funding constraints for much-needed infrastructure	• Continuous engagement with public sector to find solutions to funding challenges

Strong relationship | Developing relationship

Stakeholder	Quality of relationship	How we engage	Focus area	Our response
Communities in which we operate A critical component of our developments is community participation and locally based skill and enterprise development. We respect the rights and needs of communities and actively seek to support their interests by involving them from start to finish.	Strong relationship	• External social facilitation team • Public participation forums • Presentations • Community outreach forums and leaders • Corporate social responsibility and investment projects • Launches • Education • Daily project site and operations management meetings, which include labour desks headed by community elected leaders • Meetings with ward and local councillors for areas in which developments are planned • Active education on requirements and responsibilities of a homeowner • Social media	**Land claims**	• Due diligence incorporating International Finance Corporation ("IFC") principles • Local councillor involvement • Act within the framework of the judicial system
			Destruction of cultural heritage sites, protecting biospheres and endangered species	• Public participation in the environmental authorisation process • Strict compliance with an Environmental Management Plan • Due diligence
			Issues with delivery and quality of housing	• A formal focus throughout construction on verifying quality, backed up by after sales service
			Employment and economic development	• Local community involvement through establishment of labour desks • Skills and enterprise development • Training programmes • Community and labour desk officers
			Non-delivery of municipal services	• Town planning and interaction with local government and municipal services to plan infrastructure and service delivery • Alternative energy solutions make developments
			Socio-economic and related issues (HIV and AIDS, crime, gangsterism, etc.)	• Partner with businesses, NGOs and government to address key socio-economic issues within communities
			Access to health and education facilities	• Provision for these facilities is made in the town planning process throughout our Integrated Developments
			Corruption	• Calgro M3 adheres to a culture of zero tolerance for corruption • Tip-offs anonymous hotline (fraud and corruption hotline)
			Positive and tangible contribution to broader interests within the community and society as a whole	• CSI annual spend is directed at key community projects • Skills and enterprise development focused on the key needs of the communities we operate in
			Social and cultural integration of new development into existing communities and areas	• Actively pursuing the creation of integrated, thriving communities by being cognisant of the interest and needs of all community stakeholders

Strong relationship · Developing relationship

Stakeholder	Quality of relationship	How we engage	Focus area	Our response
Shareholders, investors, analysts and media By providing a holistic and transparent view of the Group and its operations, clear communications of our strategy, sustained and controlled growth and a consistent return on investment, we build trust and confidence. All activities are undertaken to ensure that this relationship of trust is built to ensure the understanding and ultimately that the correct value is placed on the Company.	Strong relationship	• Regular financial results, presentations and webinars • Group and shareholder meetings • Comprehensive Investor Relations function • Project updates • Annual General Meeting • Integrated Annual Report • ESG Report • Responses to email queries received • Ad hoc telephonic dialogues • Company website • Site visits and roadshows are undertaken for local and large international shareholders	**Operational focus**	• Increase open market sales and complete opportunities in Residential Property Development business • Grow market share and sales through product enhancement and increase footprint of Memorial Parks business
			Growth and sustained returns on investment	• Clear business strategy, stable growth and risk mitigating strategies • Sustainable margin growth • Sensible dividend policy
			Appropriate response to macroeconomic and socio-economic environment	• Good business practices, sound governance policies, procedures and structures and flexibility between market segments facilitate agile responses and adaptability
			Prudent capital allocation and utilisation of cash and working capital	• Ensure liquidity and reduce net debt used to raise necessary working capital, secured by a strong balance sheet and project pipeline
			Succession planning and talent retention	• Leadership succession planning • Human Capital Management policies and measurements in place
Environmental agencies and interest groups Our key stakeholders in this group include environmental organisations, public interest and peer groups as well as industry partners impacted by environmental issues. Our environmental responsibility extends beyond legal and regulatory requirements. It is our responsibility to reduce our environmental impact and continually improve our environmental performance across all our operations.	Strong relationship	• Meetings • Conferences • Launches • Monitoring projects and compliance • Project feedback meetings • Training of sub-contractors and suppliers • Proactive engagement with regulatory bodies and councils internal HSE Department, aligned and certified to the principles of ISO 14001:2015 and ISO 45001:2018	**Compliance with Acts and guidelines to protect and conserve the environment**	• Internal HSE Department that is supplemented by external consultants to oversee the formal HSE management system that was certified in terms of international standards (ISO 14001:2015 and ISO 45001:2018) and in compliance with the OHS Act 85 of 1993 and its regulations
			Transparency and disclosure of information	• Adhere to and communicate compliance • Resolve issues as a priority and communicate outcomes
			Product stewardship	• Take measures to ensure minimal environmental impact from activities • Integrated development leaders ensuring environmentally friendly initiatives across all projects • Protection of endangered or threatened plant species in line with environmental due diligence
Suppliers, service providers and specialists Suppliers and service providers are our partners in our approach to delivery. We create trust and stimulate collaboration, providing growth opportunities in a mutually respectful and beneficial way, with open and regular communications as and when required or requested.	Strong relationship	• Meetings facilitated by specialist consultants • Face-to-face engagement • Emails • Telephonic dialogues • Industry conferences and functions • Firm agreements in place with all suppliers, service providers and specialists, and are acted on accordingly • Training of local suppliers	**On-time payment**	• Timeous payments
			Growth opportunities	• Favourable contract terms • Preferential procurement for local small, micro and medium enterprises (“SMMEs”)
			Clear understanding of Group strategies and priorities	• Engagement with professional teams to ensure synergy in implementation and problem resolution
			B-BBEE compliance	• Preference is given to local suppliers with a positive B-BBEE scorecard able to demonstrate the necessary skills and competence required

Strong relationship | Developing relationship

Stakeholder	Quality of relationship	How we engage	Focus area	Our response
JSE and other regulatory bodies We comply fully with laws and regulations. We therefore engage with regulatory bodies on a regular basis to improve and ensure compliance	Strong relationship	Meetings Written communications Attend educational presentations Audits (internal and external) Business associations	**Statutory and legal compliance**	Strict compliance with all laws, by-laws, notes and regulations
			Adherence to guidelines such as King IV™, CSI	Measure compliance on a continuous basis to ensure requirements are adhered to
			Good corporate citizenship	We intend to comply with all requirements and guidelines and to be an outstanding corporate citizen
			Transparent disclosure	Full transparency and disclosure to comply with laws and regulations
Financial institutions and debt capital providers We maintain excellent relations with our financial partners, as securing finance for developments is vital across operations. We proactively manage cash flow, debt obligations and risk. To ensure financial excellence, we apply stringent measures and strict compliance with regulatory and contractual requirements.	Strong relationship	Face-to-face engagement Emails Presentations Cash flow and financial analysis Project updates Engage and take all financial institutions and lenders for site visits for them to see the result of their lending materialise	**Sound financial management**	Qualified team responsible for financial decisions Suitable governance structures in place to manage risk
			Appropriate response to macroeconomic environment	Focused, flexible and proactive business model and management team
			Access to, and disclosure of financial and related information	Integrated Annual Report and interim reports that adhere to international accounting standards and JSE Listings Requirements Communication and reports issued to funders
			Liquidity	Strategically retain substantial cash resources and gearing ability
			Comprehensive risk management and exposure levels	Continue to ensure a strong balance sheet Risk management policies and tolerance levels set by the Board Continuous monitoring of financial position to tolerance levels Quarterly feedback to the Board and Committees
			Risk tolerance ratios and covenants	Tolerance ratios and covenants set by the Board and debt providers are monitored monthly by management and quarterly by the Board
Joint ventures and other partners Vital to the success of our joint venture developments are strong relationships with our joint venture partners, as well as the maximisation of value for all partners. We maintain clear lines of communication, meet our commitments and carefully manage risk	Strong relationship	Meetings Progress and financial reports Regular updates Launches Monthly Steering Committee meetings Business partner and industry forums Co-facilitation sessions Emails Telephone dialogues	**Long-term value maximisation**	Skills and knowledge are shared and transferred
			Joint growth and development opportunities	Co-manage risk using defined processes
			Long-term financial sustainability and security	Appropriate reporting, financial strategies
			Open and clear communication	Accurate, relevant, proactive communications are provided and mechanisms for ongoing feedback and participation are in place
			Full understanding of the Calgro M3 business model and the JVs role within it	Clear strategic direction Clear lines of accountability and ownership Corporate cultural integration and alignment
			Equitable income distribution	Encourage openness and transparency in our dealings and promote fair business practices

02

Our people

Talent Capital is the most important resource for any organisation, and we see our people as our greatest asset. Their development, well-being and safety are paramount. Our people come from many different backgrounds with a wide range of skills, knowledge and experience providing diversity in our workforce which makes us stronger.

S

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

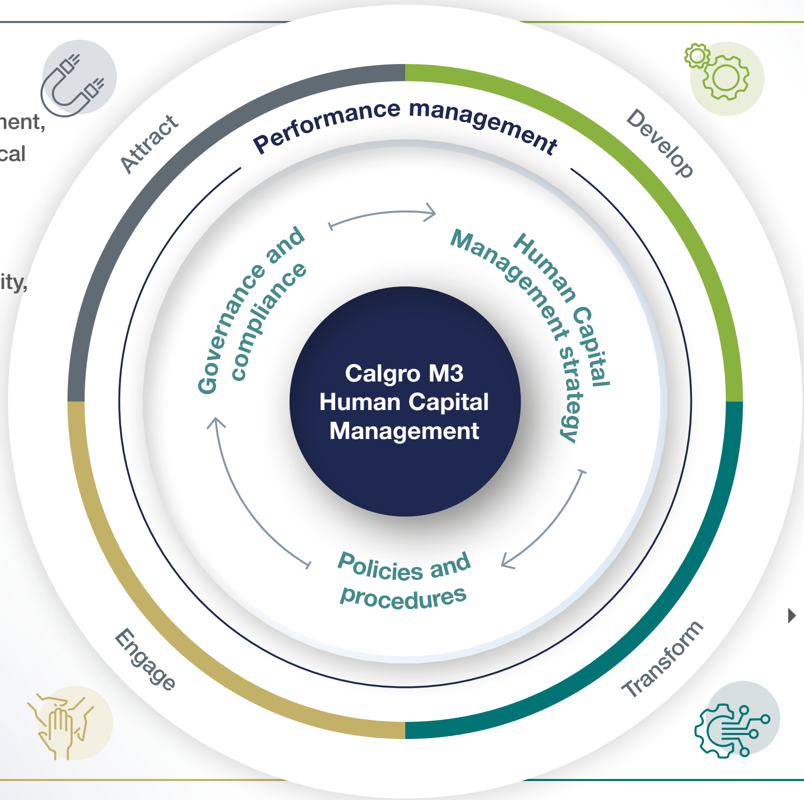
8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

Our people

Our people remain one of our greatest assets. With continual engagement on a national level to remain focused on health, safety and staff training, we strive to be the employer of choice in the industry.

- Employer of choice
- Local community engagement, minimum target of 30% local employment across all projects
- Recruit talent
- Continued focus on diversity, equality, and inclusion



- On-the-job training
- Labourers to business owners
- Mentoring
- Training and development
- Career path development

- Reward and recognition
- Performance appraisal
- Continual employee engagement
- Satisfaction surveys
- Labour relations

- Career transition management
- Outplacement/redeployment
- Succession planning

Talent Capital is an integral part of the Group's value chain. Without our people, we will not be able to do business and we would certainly not be able to deliver the high-quality services and products that we do, to our valued stakeholders.

The Group recognises the importance of a transforming and ever-changing workforce. This has guided the development of the Group's Human Capital Management Strategy and Workforce Model. It focuses on four areas – **Attract, Develop, Engage and Transform** – enabling the Group to unlock the potential of each of our valued employees. We delve deeper into each of the above within this section of the report.

Attract and Transform

The use of local recruitment and Human Capital Management remains a priority on all developments for us and our main contractors. This provides us with effective and valuable onsite labour. It builds positive relationships with communities, addressing unemployment in these areas and assisting to reduce skills shortages we might otherwise encounter at remote sites.

The Group practices a policy of non-discrimination at all our operations, which covers the rights of previously disadvantaged individuals. We strive to recruit and retain the best people both on our projects and within our corporate support operations and draw on talent from the populations of the areas we work in wherever possible.

Broad-Based Black Economic Empowerment JSE S1

Proud to maintain a Level 1 B-BBEE accreditation

- Calgro M3 acknowledges the significance of implementing the South African Government's Broad-Based Black Economic Empowerment (B-BBEE) principles at all organisational levels
- The Group views B-BBEE as an opportunity to support the building of an empowered nation
- Transformation is seen as more than compliance. It aims to create a genuinely transformed organisation that enables employees to fulfil their purpose
- The Group is committed to aligning its culture with this transformation goal, acknowledging that broader societal change relies on the role of major institutions
- The Social and Ethics Committee reviews the employment equity plan quarterly and monitors progress against a five-year plan aligned with B-BBEE codes and Group objectives
- Over the five-year period, the Group has demonstrated commitment to transformation, achieving meaningful progress in gender and race equality
- Workforce demographics now reflect South Africa's economically active population
- Preference in new appointments is given to empowerment candidates to support the equity plan; any deviations require valid justification and approval by the Executive and the Social and Ethics Committee

The Group has reached a steady labour complement, including agents, from the prior year to the current year our labour complement has remained steady.

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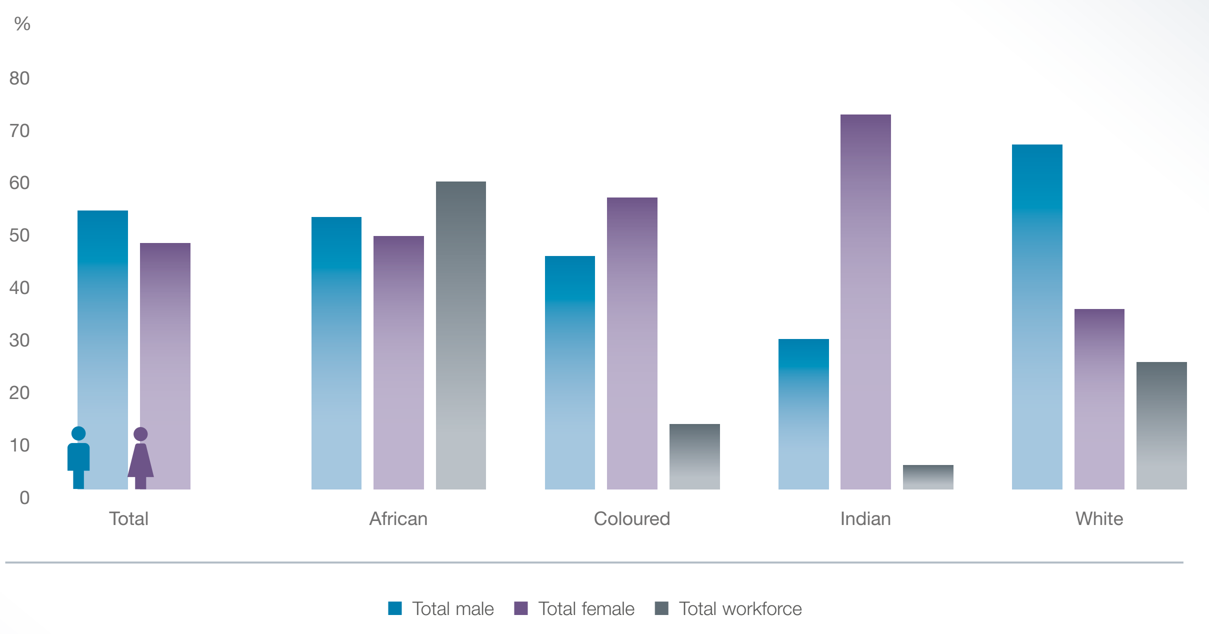
On page 17, information detailing new staff appointments according to previously disadvantaged groups is provided.

Employment equity

Calgro M3 remains committed to employment equity. The majority of new staff members employed by the Group (which includes permanent, temporary and fixed contract staff) in the financial year under review are from previously disadvantaged groups 78% (2025: 76%), illustrating the Group's commitment to transformation in the workplace.

Total staff complement analysis



Diversity and inclusion

In addition to employment equity, the Group is committed to diversity and inclusion and does not discriminate on the basis of race, gender, age, disability or religious beliefs. The Group has a gender and race diversity policy that promotes the appointment of women and previously disadvantaged individuals, recognising that diversity in the workplace is of critical importance, with diverse teams of varied experience and backgrounds being more capable of understanding and meeting the needs of our customers, thereby improving the Group's ability to compete for business.

The Group is actively accelerating diversity to ensure that the succession pipeline is transformed, and that the workforce is representative of demographics in South Africa, and to promote a culture of diversity and inclusivity. Appointments on building sites by contractors are audited to ensure equality in line with international best practice and in line with requirements from international **Development Finance Institution ("DFI")** funds that have invested in Calgro M3.

Develop JSE S2.2

Internal skills development and training

Skills development is a very important aspect of the Group's Human Capital Management Strategy. The Group is strongly aligned with Government's drive to improve and empower the South African workforce. The Group is proud of its achievements in terms of training and the learning and career development opportunities it makes available to all staff and communities we operate in. The main drivers included the solidification of our mentorship and work experience-related initiatives.

Skills, enterprise and supplier development

R3.7 million (2025: R1.4 million)

- Across various management levels
- 79% of this amount was spent on black African employees
- Includes time spent by senior managers mentoring junior and middle managers
- Includes expenses paid towards tuition for employees on the various training programmes

The Group continued with the roll out of the "School of Calgro M3" training initiative furthering our commitment to learning and development of staff. Numerous training sessions were held by internal staff members which provided insight into the operations of both Calgro M3 and the industries we operate within, and personal life-skills development. Staff attendance for these sessions have been positive with in excess of 17 500 hours of training provided in the period.

Considerable time and effort is spent on skills development for existing staff, interns and students, and the development of the labour force. Skills development typically comprises some but not limited to or all the following:

- formal skills plans;
- face-to-face training sessions available to all staff members;
- formal online training platforms available to managers;
- transitional skills transfer and general upskilling;
- short-term "shadow skills training" and/or on-the-job coaching;
- medium and long-term technical, supervisory, and formal management training; and
- skills transfer by experienced long-term employees.

Continual learning, both formal and informal, is inherent in the Group's culture of sustainable growth and development.

All levels of the operations are designed to attract and retain key skills and talent in a climate of skills shortage, and to ensure the Group's sustained success in the future. Training, learning and career development plans are available for each employee to tweak as their own career path develops.

To ensure continuous productivity of our Group it remains essential that clear goals are set for each employee on a daily, weekly, monthly and annual basis to measure performance against. A joyful working environment is created within Calgro M3 through fun activities, team building exercises and creating a safe working environment.

Mentorship programmes and learnerships

The Group caters for internships within the project admin, sales, and Information Technology ("IT") departments.

The Group increased the internship programmes offered within the reporting period, with opportunities being provided in both the IT and office administrative positions. This awarded new entrants to the job market the opportunity to gain work experience in various spheres of the business and assisted them in developing skills that will help grow their professional skill set.

Kaelo Lifestyle Programme

This lifestyle programme was launched in February 2020, and is managed and implemented through Kaelo, a provider of innovative, essential, healthcare solutions enabling the physical and psychological well-being of all South Africans. The AskNelson programme, powered by Kaelo Lifestyle, helps employees and their families cope with today's challenges such as financial pressure, high levels of personal stress, addictions, healthcare, demanding work schedules, crime and violence. The services available to Calgro M3 employees include counselling, financial advice, legal advice, trauma response and a child and teenage benefit. Our employees can access the services by telephone, sending a "please call me", emailing, sending an SMS or visiting the Kaelo website. This service is paid for by the Company with continuous success and initiatives being offered by Kaelo to improve staff wellness.

kaelo

Engage

Rewarding employees

A transparent performance management system that is linked to the performance of the Group is incorporated across the Group. It effectively creates wealth based on performance on all levels and raises accountability. All individuals regardless of race, age or gender are made aware, through various training channels, of the impact they have on the Company and the direct and indirect contribution they make to the success of the Group.

Calgro M3 has a long-term service and retention scheme for salaried and wage staff that rewards employees with extra leave days and a cash incentive for each five-year period of completed service.

Employees' salaries are benchmarked annually to ensure remuneration at the appropriate skill and experience level. Performance-based bonus schemes are in place for permanent staff. The scheme rewards personnel based on Group and individual performance through the performance appraisal system in place.

Detailed disclosure around each of the policies can be found in the Remuneration report within the 2026 Integrated Annual Report on the Group's website.

Employee engagement

The Group has put in place employee relations strategies that include staff engagement and effective communication at all sites. Workplace forums and meetings provide a platform to improve engagement with employees and sub-contractors. They help manage labour relations proactively, manage expectations and highlight any deterioration in trust between management and labourers.

Employee surveys facilitate direct input by employees, assisting the Group to meet expectations. These will be accompanied by other staff engagement initiatives throughout the year, such as briefings, CEO addresses, and feedback from the different divisions and from site managers in daily, weekly or monthly meetings held across the different forums within operations.

The Group has taken and will continue to enforce a hard line and zero tolerance approach with respect to disciplinary issues, especially with reported cases of abuse of alcohol or narcotics on work premises, dishonesty, assault or negligent acts that may endanger people's lives. This will send a consistent message to employees that misconduct will not be tolerated and that anyone involved in misconduct will face severe consequences. This is in line with the Group's efforts to maintain zero harm and promote a safe and harmonious work environment.

The Group has policies and procedures in place aimed at improving grievance management resolution timeously, including in-sourcing of key stakeholder engagements. As a result, average conflict resolution is 72 hours.

CALGRO M3

For the financial period under review, the Group was minimally impacted by work stoppages at its sites.

Bankenveld District City

Key data points – Our people

Talent capital	Units of measure	JSE sustainability disclosure guidance	2026	2025
Number of employees	number	–	**143**	145
New employees hired	number	–	**19**	22
Percentage of employees who are permanent	%	S1.5a	**100**	100
Percentage of employees operating in South Africa	%	S1.5a	**100**	100
Percentage of management (top and senior) deemed HDSA*	%	S1.1a	**55**	50
Percentage of management (top and senior) who are women	%	S1.1a	**46**	50
Percentage of employees who are deemed HDSA*	%	S1.1a	**78**	76
Percentage of employees who are women	%	S1.1a	**48**	47
Percentage of HDSA* employees in skilled and supervisory positions	%	S1.1a	**62**	56
Number of allegations and confirmed incidents of discrimination and/or human rights incidents relating to employees	number	S1.1b	**0**	0
B-BBEE level		–	**1**	1
Number of employees with disabilities	number	S1.1a	**3**	3
Percentage of employees covered by collective bargaining agreements	%	S1.4b	**0**	0
Employee turnover – Group	%	S1.3b	**10**	19
Percentage of employees trained	%	S2.2	**88**	69
Value of employee training spend	Rand	S2.2	**3 767 209**	1 428 645
Total number of training hours	number	S2.2	**17 500**	4 180
Total number of person days lost due to industrial action (i.e. strike action)	number	S1.4c	**0**	0
Percentage of total person days lost due to industrial action	%	S1.4c	**0**	0
Parental leave policy	Y/N	–	**Y**	Y
Sick leave days	Entitlement number of days	–	**30 days in a three-year cycle**	30 days in a three-year cycle

* *HDSA – historically disadvantaged South Africans.*

Health, Safety and Environmental

Calgro M3 is committed to reducing negative health, safety, and environmental impacts across the organisation

An integrated **Health, Safety, and Environmental ("HSE") Management System has been established to ensure that decisions consider economic development, environmental quality, and social impacts for all stakeholders.**

The HSE Management System provides a framework to effectively manage health, safety, and environmental aspects, risks, and opportunities

It also supports ongoing improvement in how these aspects and risks are managed

The aim is to protect the environment and respond to changing environmental conditions in balance with socio-economic needs and to prevent work-related injury and ill health to workers and to provide safe and healthy workplaces.

The intended outcomes of the HSE Management System are as follows:

- To enhance the organisation's HSE performance;
- To conform with compliance obligations;
- To achieve the organisation's HSE objectives;
- To add a competitive advantage; and
- To confirm a continuous improvement, drive to ensure a safe working environment and involvement by all within the organisation.

Providing a safe workplace

Ensuring health and safety of all stakeholders on-site is the basic principle underlying Calgro M3's HSE Policy. Our HSE Management System approach is risk-based and focuses on the integration of safe working/operating practices into every aspect or process performed.

Furthermore, contractor and supplier assessments and performance evaluations were developed to promote accountability and performance improvements.

HSE objectives

On an annual basis within the HSE Management Review Meeting annual HSE objectives are discussed and approved by the Executive team with the respective HSE team members. In FY 2026 these objectives include:

- Striving for zero harm;
- Proper waste management; and
- Working to ensure activities comply with HSE requirements.

The above objectives are reported and monitored at each SEC meeting with the Group demonstrating high levels of compliance across the defined objectives.

Safety performance

Safety performance was measured by lagging indicators. Such lagging indicators include injury frequency rates and lost workdays. These measures are necessary to track the number of injuries but does not indicate the effectiveness of control measures put in place in preventing injuries. Calgro M3 has adopted the tracking and analysis of leading indicators such as training, compliance audits and checking the effectiveness of controls. This provides an indication of what corrective measures are needed and where to prevent incidents and injuries.

If an incident occurs, an investigation is conducted to understand why the incident occurred and identify what controls could be strengthened or improved to prevent similar incidents. The learnings from these incidents are then shared via the weekly toolbox talks training mechanism, which aims at sharing and limiting multiple incidents of a similar nature occurring.

No medical treatment cases occurred on-site with minimal lost time injuries. The Group is actively working at improving its lost time injury frequency rate ("LTIFR") and recordable case rate ("RCR") which includes any injury that requires more than a first aid treatment to within international standard levels.

Monitoring and reporting on safety performance is essential to ensure the safety of everyone working for Calgro M3, including employees, contractors and suppliers and their respective employees. This addresses risks that are inherent to the industry.

Calgro M3 Developments holds certification for both the relevant standards applicable to the management system:

- ISO 14001:2015 (environmental)
- ISO 45001:2018 (health and safety)

Certification was maintained in FY 2026

Number of fatalities 2026 – 0 fatalities

Occupational health

Interventions are provided to support employees who need to maintain or improve their health

- It is a legal requirement that all employees working on Calgro M3 sites are medically fit
- Medical surveillance programme records employees' baseline health and monitors their health throughout their employment
- Programme identifies risk factors related to occupational exposures and lifestyle conditions, including screening for lifestyle diseases such as hypertension
- It is an integrated approach to health promotion, prevention, and overall management of occupational health

Managing HIV and AIDS

Calgro M3 has developed proactive strategies and policies to address challenges arising from the pandemic

- Calgro M3 prioritises the health and well-being of all employees and has an HIV/AIDS Policy adopted across all projects
- The HIV/AIDS pandemic remains a serious and complex issue that significantly affects the economically active population and therefore impacts the workplace
- The organisation is committed to managing HIV and AIDS in a positive, supportive, and non-discriminatory manner
- All actions are guided by informed employee cooperation, best business practices, and relevant Codes of Good Practice
- The policy treats HIV/AIDS like any other life-threatening illness and ensures non-discrimination against employees who are HIV-positive.

Key data points – Health and safety

Health and safety*	Units of measure	JSE sustainability disclosure guidance	**2026**	2025
Workplace fatalities	number	S3.1a	**0**	0
Non-work-related fatalities	number	–	**0**	0
ISO 14001:2015 and ISO 45001:2018	certification	–	**Y**	Y
Fatalities (i.e. injuries on duty leading to death, excluding the deaths of workers not occurring “at work”)	number	S3.1a	**0**	0
First aid cases (FACs, i.e. injuries on duty leading to minor treatments, such as a plaster or a pain tablet)	number	S3.1a	**3**	2
Medical treatment cases (MTCs, i.e. injuries on duty leading to medical treatment, but no lost days)	number	S3.1a	**1**	0
Lost time injuries (LTIs, i.e. injuries on duty leading to at least one lost day)	number	S3.1a	**0**	1
Days lost to LTI	number	S3.1a	**0**	3
Total number of recordable injuries, including MTCs	number	S3.1a	**1**	1
Permanent disabilities	number	–	**0**	0
High frequency risk incidents (HFRIs)	number	–	**0**	1
LTI target	Per 200 000 man-hours	–	**2.5 or less**	2.5 or less

* *Workplace safety statistics includes results from sub-contractors.*

03

Our social responsibility and actions

Corporate Social Responsibility ("CSR") is a corporate culture whereby organisations decide voluntarily to contribute to a better society and a cleaner environment. This voluntary commitment aims to address the needs of the communities in which they operate in. It is based on the idea that organisations have a responsibility towards society in which they operate. This is a fundamental principle that Calgro M3 subscribes to.

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Corporate social responsibility JSE S2.4

Calgro M3's investment in social initiatives is aligned to its philosophy of community development. We invest in social development initiatives that assist with upliftment and empowerment for the communities in which we operate. We favour the support of projects in and around our residential developments, identifying opportunities where we can make a tangible difference, supporting growth and development of individuals, nurturing vulnerable or needy groups, or strengthening the community.

Areas of impact

Donations: land, infrastructure, top structures or in-kind

Enterprise development

Supplier development

Innovation within project management and infrastructure/ community development

Skills development

LLC Support-a-School programme

Social/community development: non-residential amenities within new and implemented projects

The Group is involved in the development of various schools, crèches, clinics, parks and community centres within its developments. In all instances, Calgro M3's investment in chosen initiatives is voluntary, not mandated. Town planning regulations for Integrated Developments stipulate that land must be reserved for public use and that developers may not raise any structures on or develop that land.

Although our Socio-Economic Development ("SED") spend complements our Black Economic Empowerment ("BEE") scorecard, our focus is to create socio-economic sustainability within the developments that we create.

CSR – Embedding key principles and practices of corporate social responsibility

Social economic development initiatives

- Youth training and development programmes
- Education, schooling and early childhood development
- Community development
- Development of recreational park areas
- Waste management and recycling areas
- Water harvesting
- Urban agriculture
- Healthcare and wellness within communities
- Maintenance of open spaces and facilities

Our core CSR objectives are:

- Partner with specialist service providers, including non-profit organisations, to ensure appropriate skills are applied to execute initiatives
- Maintaining excellent relationships with employees, customers, suppliers, investors, funders and communities
- Community involvement
- Monitor outcomes and manage investments to drive delivery of envisaged benefits
- Wellness of employees
- Education and upliftment of communities

Governance and standards:

- King IV™
- Companies Act 71 of 2008 (as amended) Regulation 43(5)
- Skills development
- B-BBEE Legislation Act 53 of 2003 (requiring companies to engage in preferential procurement)

Building sustainable ecosystems that uplift and empower communities, creating a meaningful and enduring legacy of socio-economic progress.

Socio-economic development initiatives

Community upliftment projects

As part of our enduring dedication to ***"Building legacies. Changing lives"*** within our communities, we are firmly committed to enhancing the well-being of our residents. We do this by prioritising the upliftment and investment in educational, sporting and general welfare initiatives, leaving behind a positive and enduring legacy for future generations.

In the year Calgro M3, along with staff donations, conducted a winter blanket drive, with donations made to children's homes, schools and hospitals within close proximity of our integrated developments.

Blankets donated to Ulandi Kindergarten
As part of our ongoing commitment a charitable campaign was launched and we donated blankets to Ulandi Kindergarten.

Old age homes in Belhar and Scottsdene
A charitable campaign was created by Calgro M3 for the donation of beanies and blankets that was for the Logos Harmony Seniors and 2-KSE Kraaifontein TeHuis in the Western Cape.

Youth training and development programmes

Morris Isaacson High School

At Morris Isaacson High School, Calgro M3 sponsored a career day aimed at providing students with insights into career prospects in the built environment. The event brought together Heads of Departments from Calgro M3 and representatives from academic institutions, who shared the day with Grade 11 and 12 learners. From Quantity Surveying and Architecture to Development Management and Health, Safety and Environment, we highlighted a range of pathways that shape the spaces we inhabit.

Grade Seven Holiday Programme hosted at Fleurhof Primary School

Calgro M3 hosted a Grade 7 Holiday Programme at Fleurhof Primary School for 140 learners. The programme was facilitated by Fleurhof Primary School teachers and designed to provide academic support, life skills development, and early career exposure to learners during the October school holidays. It was a five-day programme that included academic and enrichment activities, life orientation sessions, and career awareness sessions.

LLC Support-a-School programme

Calgro M3 is exceptionally pleased to continue its relationship with the LLC Support-a-School ("SAS") programme by sponsoring a further three disadvantaged disabled individuals for a twelve-month period. The programme is a purpose-built B-BBEE programme that provides real benefits to the youth of South Africa through education and addresses low administrative capacity in disadvantaged schools. It provides a year of funded education with valuable work experience to deserving youth who cannot afford to study, thereby helping to improve current youth unemployment statistics.

LLC learners are given access to NQF-level training through accredited training providers, who offer part-time, distance-learning programmes in business administration and computer literacy. These learners are then placed in schools to work as administrative assistants for a year, with continuous coaching and support to ensure holistic development.

Training focuses on daily employee development, not only for their current roles and responsibilities but for future advancement too. Social development puts people at the centre of development through committed development processes that benefit people in the way they interact in groups and society. Social assistance continues to form an important part of government's strategy to fight the triple challenge of poverty, inequality, and unemployment (adopted from South African Government).

Community economic development programmes

The skills development programmes on-site are an important focus point in terms of the socio-economic contribution that Calgro M3 makes.

The artisan skills training also develops a productive workforce by delivering practical on-the-job training that will effectively upskill and uplift the local labour from the identified developments.

Calgro M3 is committed to the ongoing training and development of employees to ensure the broadening of its skills base.

The skills development programmes on our sites are an important focus point in terms of the socio-economic development that Calgro M3 makes.

The three tiers

1. Specific artisan training for local labour (vocational skills), short skills, learnership and apprenticeship

Implementing training for specific skills for local labourers employed through project labour desks. All the training providers are SETA-accredited trainers and training involves theory and practical, on-the-job training.

2. Skills development of local sub-contractors

The need to develop business skills of the sub-contractors involved on projects has also been identified. The SMME training also contributes towards the overall enterprise development aspects in terms of BEE compliance.

The Group's enterprise development programmes mentor small black-owned enterprises, helping them improve their performance across various spheres of business. This includes securing credit lines and discounts from suppliers, labour and employment relations, legal requirements as well as improving their technical skills across finance, human resources and construction. This was a result of upscaling the programme to accommodate the development of more enterprises.

3. In-service training

Various targets from different industry-related degree or diploma courses, especially those requiring practical experience as part of their curriculum, are accommodated during the implementation of projects. We have found that these student trainees leave us after the six months with a much better understanding of the industry in which they will eventually be placed.

The benefits of these comprehensive skills training and development programmes result in:

- An increase in job creation
- Sustainable SMMEs and the improvement of SMMEs' accreditation (i.e. Construction Industry Development Board ("CIDB") levels or other institutional rating scales)
- The socio-economic status of the development's adjacent communities will be increasing through sustainable enterprise development initiatives
- Sub-contractor development is beneficial to the economic growth within the Integrated Residential Developments
- Trained sub-contractors can do work for third parties with these newly acquired skills

Location	Nature of site-specific training
All sites	General Health and Safety Training and awareness:
	All Calgro M3 employees and contractor employees were inducted upon returning from the December break
	Toolbox Talks are communicated to employees weekly, every Tuesday
	Task Risk Assessments are conducted and communicated with each team to ensure that hazards and risks are addressed before the task commences
	Additional training was provided to site managers, site supervisors, HSE personnel and contractors. The training included but was not limited to Construction Environmental Management, ISO implementation requirements and HSE procedures
	Training for sub-contractors, how to run their businesses and how the construction industry operates
	Training on construction rates, measurements and calculations

Consumer training and financial awareness

The Group provides education and awareness around the financial realities associated with home-ownership, and specifically the practicalities of living in a sectional title environment. This education is viewed as one of our most important CSI contributions to the sustainability of the community as it empowers homeowners to become financially stable; establish, grow and uplift themselves, potentially extending the cycle of sustainable growth by becoming role models in society and themselves giving back to the community.

Financial awareness training starts once the agreement of sale is completed. Our agreement of sale contains 14 descriptive statements pertaining to sectional title home-ownership. For example, what may or may not be done in the communal environment and what financial costs are associated with this type of home-ownership.

When the mortgage loan is granted by the financial institution, the finer implications of bond repayments are discussed with the client. This includes creation of a detailed financial expenditure plan incorporating all associated costs, such as levies, rates and taxes, municipal effluent, insurance, etc. Thereafter, clients are required to undergo borrowers' education administered by the relevant bond provider in conjunction with Calgro M3 to enhance their already-entrenched knowledge.

This practice, along with educational campaigns, has proven to be worth more than its weight in gold as it has led to a dramatic downscaling of consumer frustration and embarrassment for new homeowners in the sectional title lifestyle space, who were previously presented with requests for payments for which they had not budgeted. As a result of this training, the body corporate within Calgro M3's developments are generally financially healthy.

The need for **body corporate and trustee training** was also identified. We facilitate the inaugural meeting of the body corporate and ensure that a proper Board of Trustees is elected, and that all the primary portfolios are identified and allocated. We then remain involved with the management agent and the trustees (in some instances for periods exceeding two years) to ensure that knowledge through practical work and training sessions is properly shared and transferred. It is vital for the social cohesion of the body corporate and all its members that trustees are aware of their functional requirements and of their legal responsibilities. During this period, we supported many individuals to become community leaders in their respective surroundings. This has contributed to our goal of making a difference and changing lives.

Socio-economic development initiatives

Key data points – Corporate social responsibility

CSR/SED expenditures	Units of measure	JSE sustainability disclosure guidance	**2026**	2025
Corporate social investments (CSR)/socio-economic development (SED) expenditures	Rand	S2.4a	**1 266 813**	953 242
CSR/SED spend as a percentage of total revenue generated	%	–	**0.1**	0.1
CSR/SED spend as a percentage of net profit after tax	%	–	**0.8**	0.6
Percentage of total CSR/SED spend in South Africa	%	–	**100**	100
CSR/SED spend on education	Rand	–	**77 000**	401 160
CSR/SED spend on infrastructure development	Rand	S2.4d	**1 189 813**	492 087
CSR/SED spend on other (social support for employees and ad hoc)	Rand	S2.4a	**0**	59 995
Enterprise and supplier development spend (i.e. support for small business)	Rand	S2.4c	**4 033 790**	9 000 000

04

Preferential procurement and enterprise development

An important aspect of operating as a responsible and sustainable business in South Africa is ensuring that we contribute to the real transformation of our country through our procurement policies and the mentorship and support of black-owned businesses, particularly SMMEs.

S

4 QUALITY EDUCATION

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

Preferential procurement and enterprise development JSE S2.4c

Our "***Building legacies. Changing lives***" slogan is a constant reminder to actively help develop the community, providing business education and training non-skilled and skilled local workers. In line with the Recognition of Prior Learning programme ("RPL"), trainees who have completed accredited vocational skills training courses are able to be part of the preferential procurement list from which Calgro M3 sub-contractors can source local labour. This then supports local Small, Medium and Micro Enterprises ("SMMEs") through training partners, to mitigate the risk of unemployment in local communities that can accompany the completion of the development. This leaves a lasting legacy of social and economic upliftment when projects close. The Group's Enterprise Development Programme mentors small black-owned enterprises, helping them improve their performance across various spheres of business. This includes securing credit lines and discounts from suppliers, labour and employment relations, legal requirements as well as improving their technical skills across Finance, Human Resources and Construction.

SMME mentorship programmes

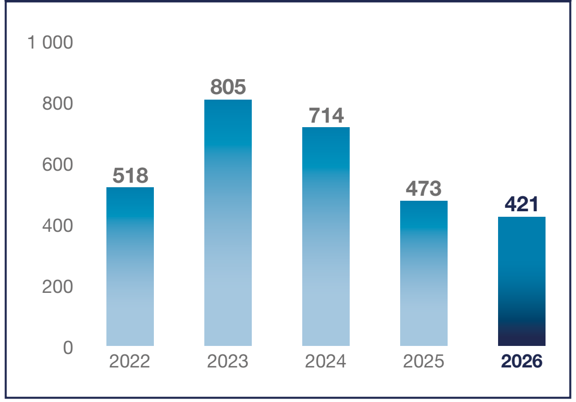
These mentorship programmes equip each enterprise with the relevant practical tools and knowledge to evolve into a self-sustainable entity.

Procurement policies and guidelines

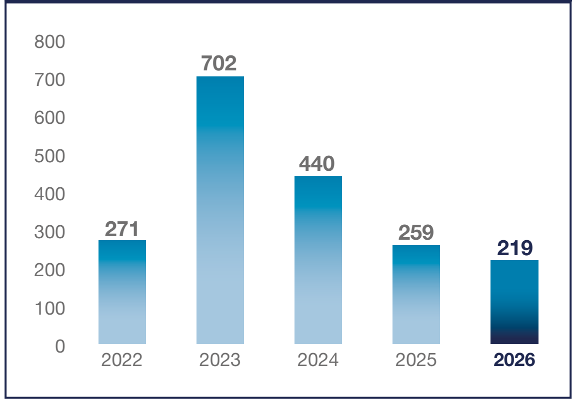
The SMME Sub-Contractor and Local Labour Procurement Policy is based on the Finance Department: City of Johannesburg's Policy for the advancement and participation by start-ups and SMMEs in the procurement activities of the City of Johannesburg dated August 2009.

The purpose of the SMME Sub-Contractor Procurement Policy is to establish a framework that should be adopted by all relevant stakeholders with the appointment and management of sub-contractors. Calgro M3 maintained its commitment to procuring goods and services from black businesses, resulting in a procurement spend from empowering suppliers of R421 million JSE S2.4C. Goods and services worth over R219 million were procured from businesses that are more than 51% black owned. The Group is intent on making further improvements in this regard.

Procurement spend on empowering suppliers (R'000)



Procurement spend on businesses >51% black-owned (R'000)



The Group is pleased to have achieved a full score in the Socio-Economic Development ("SED") pillar of the B-BBEE assessment. Although our SED spend complements our BEE scorecard, our focus is to create socio-economic sustainability within the residential developments we build.

BEE scorecard element (extract)	**2026**	2025
Skills development	**16.25**	13.38
Enterprise and supplier development	**38.95**	39.78

Policy, practices and proportion of spending on locally-based suppliers

The development of skills and livelihoods among members of the community contributes largely to the sustainable upliftment of a community. This is the basis for the establishment of Calgro M3's policy on recruitment which requires that all efforts be made to recruit, wherever possible, local labour, contractors and sub-contractors. Community-chaired labour desks on all sites actively participate in local recruitment and placement, applying policies which enhance equal opportunity and fairness. Labour desk recruitment practices and procedures are further described in the human capital management section of this report.

Our policy requires our main contractors to employ at least 50% of the workforce required on a development, which includes local SMMEs, skilled and unskilled labour, from the local communities in which we operate. On-site community-chaired labour desks are set up at all integrated projects to assist in appointing the local workforce. They also provide an innovative means to ensure continual hands-on stakeholder engagement, community involvement and buy-in, and to monitor and enforce compliance. These labour desks also manage on-the-job training, coaching and mentoring to empower individuals further and support the development of the sub-contractors to our main contractors. Empowerment ratings play a role in determining suitable suppliers, whether material is sourced locally or otherwise. This policy ensures:

- Transformation from labourers to business owners
- Training and development
- Sustainable skills development within the community
- On-the-job coaching
- Mentoring

Preferential procurement and enterprise development *(continued)*

Our sourcing principles aim to:

- Optimise procurement spending
- Social equity
- Cost efficiency and competitiveness
- Fairness and transparency
- Equitable treatment
- Openness
- Accountability
- Value for money considerations

We seek relationships with organisations sharing our commitments and observe how our partners uphold these values. Calgro M3's Procurement Policy ensures sourcing from socially responsible suppliers aligned with our values, promoting B-BBEE companies. Our sustainability criteria also include compliance with human regulatory requirements rights.

Jabulani Junction

06

Our environmental efforts

The Group has a strong environmental commitment, which is based on a desire to leave behind something better than that with which we started. Our focus is vast and includes water management, green spaces, electricity and heating, waste management and anything else that impacts the environment. Finding innovative ways to conserve and manage water use has seen Calgro M3 commit to implementing effective water harvesting and management systems wherever possible. In a water-scarce country like South Africa, this is critical. Biodiversity and environmentally sensitive areas are as important. If these areas are within a residential development or memorial park, the Group will protect and nurture the area.

E

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

15 LIFE ON LAND

Our environmental efforts

At Calgro M3 our skills include the development of housing within residential communities and the development and management of memorial parks.

CALGRO M3

Land is a key input and this in turn means that the utmost care and respect needs to be applied to the environment, finding solutions to water management, and ensuring the units we develop are energy efficient. Calgro M3 develops infrastructure that includes water and electricity. It thus ensures that there is clean drinking water available to all staying within its residential developments.

At our Memorial Parks we strive to ensure that, where possible, solar lighting and energy efficiency is in place and that the grounds are immaculately kept ensuring a beautiful, tranquil space for loved ones to visit those that have been laid to rest.

Biodiversity and environmentally-sensitive areas are as important. If these areas are within a residential development or memorial park, the Group will protect and nurture the area.

Our approach to environmental sustainability is built on a desire to leave behind something better than we started with

1. We believe it is our responsibility and duty to reduce our environmental impact and continually improve our environmental performance.

   This is integral to our business strategy and operating methods.

   Performance against these objectives is subject to regular internal review.

2. ISO 14001:2015 and ISO 45001:2018 accreditations are in place.

   Ensures risk/aspects associated with products, activities and services are identified, and management measures implemented to ensure continual improvement.

   Compliance to the ISO standards externally assessed on an annual basis.

3. Construction and development of land for residential purposes can be highly destructive.

   Environmental efforts are aimed at increasing the marketability but also at conservation and effective management of natural resources throughout all phases of operations.

4. Involvement with National Home Builders Registration Council ("NHBRC"), a regulatory body to align compliance with environmental and safety regulations.

5. All materials selected for use within developments are checked for conformance with the required quality standards.

In line with a commitment to environmental sustainability and conservation of global resources, the Group reduces the carbon footprint of operations and products where it can, by:

- making use of locally manufactured materials;
- using pre-manufactured materials to prevent waste on-site; and
- reusing and repurposing materials where appropriate.

Our environmental efforts *(continued)*

- Capture, conserve and effectively manage water on all of our projects and within our operating environments
- Protect natural habitats bordering, surrounding or within our development areas
- Incorporating biodiversity initiatives to proactively build up the environment – at all of our sites we plant non-invasive trees which are suited to, and will enhance the local biosphere
- Independently monitor our impact on environments, seek recommendations and take steps to minimise our footprint and rectify areas of non- or partial compliance
- Stay abreast of the latest trends and information in the global environmental sustainability landscape, specifically regarding construction and real estate development, and implement optimisation projects where relevant
- Actively engage stakeholders, industry partners and environmental regulatory bodies to understand issues and implement proactive solutions

La Vie Nouvelle

Environmental sustainability

Calgro M3 is committed to promoting sustainability and aims to promote good sustainability practices within the organisation by minimising negative environmental impacts and creating opportunities to have a positive effect on the environment. In achieving this the Group has identified the below environmental themes and objectives which assist in managing environmental sustainability.

Calgro M3 environmental sustainability themes and objectives

CALGRO M3

Climate change mitigation and adaptation	To minimise greenhouse gases emitted in the development lifecycle. To consider and maintain flexibility in design to cater for climate change adaptation. Investigation of alternative building methods is ongoing.
Water management	To minimise water usage. Implementation of the water management plan which focuses on the processes to be followed for the handling and managing of water sources and water runoff in working areas. Consideration is also given by the Group to the water consumption during construction-related activities, embodied water in manufacture of materials, works and services.
Waste management	To minimise waste generated focusing on reusing, recycling and lastly disposal of waste in a safe and appropriate manner across all operating premises. Waste management procedures include the procurement phase, waste management by sub-contractors during construction activities, as well as hazardous waste management procedures, to name a few.
Energy management	To reduce energy consumption throughout the development cycle, in particular the construction phase, and in the operational phase by using sustainable energy designs on premises.
Materials	To reduce our carbon footprint and environmental impact by identifying, sourcing and using environmentally and socially responsible materials, including renewable energy and clean technologies (specifically required in contractor request for quotations ("RFQ")).
Biodiversity and ecology	To reduce our environmental impact, protect and improve biodiversity and provide ecological benefits through the project lifecycle.
Supporting communities	To consider the social, economic and environmental effect of the project on the community, and to get involved with and establish how the project can provide benefits and improve the area.
Land, air, water, noise	To maximise positive and minimise negative effects on land, air and water noise, throughout the project.
Healthcare and well-being	Consider the role of design and buildings to promote a healthy environment and lifestyle for users and operators. Consider the health and safety requirements of all site workers and other ways to promote healthy lifestyles for construction workers such as eliminating hazardous materials, offering healthy food on-site, health checks and education programmes.

Water management

JSE E2

Finding innovative ways to conserve and manage water consumption has seen Calgro M3 commit to implementing effective water harvesting and management systems wherever possible. To align with this, Calgro M3 acknowledges that water is a shared and scarce resource in a country such as South Africa.

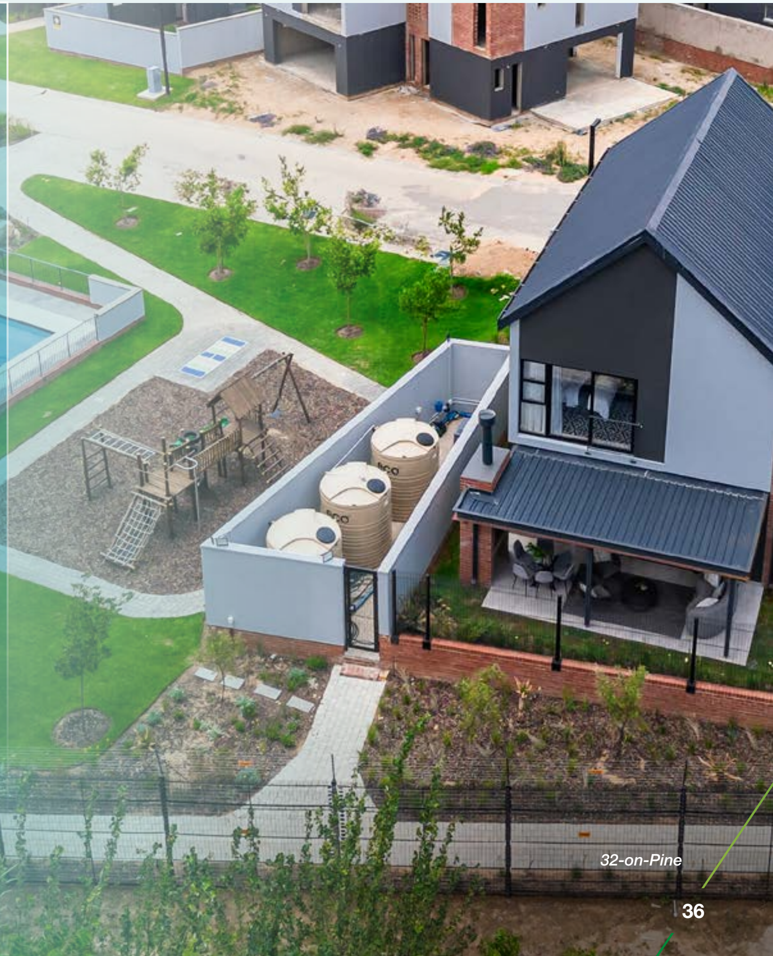
Water is precious and costly, in a country where the scarcity of this precious resource is a major issue for concern. The affordability of water for lower-income residents in integrated developments is an area of continual focus for the Group. Calgro M3 endeavours to continuously educate the market on water saving initiatives and the benefits thereof for all developments. Finding innovative ways to conserve and manage water usage both internally and on our integrated developments has seen Calgro M3 commit to implementing an effective water efficiency strategy.

Water efficiency strategy

The water management and efficiency strategy aims to reduce the consumption of water, as well as identify and implement water efficient measures on Calgro M3's premises.

The objective of the water efficiencies strategy includes:

- To encourage resource saving strategies for construction and operation phases.
- Implement water conservation programmes and training within Calgro M3.
- Minimise water-exhaustion by identifying sustainable construction methods.
- Strive to reduce indoor potable water use.
- Innovative rehabilitation methods to be applied to preserve water resources.
- Preserve and reuse natural water resources.
- Accumulate water resources as far as possible, i.e. rain water, grey water for reuse.
- Identify project/building water volumes needed and monitor water consumption.
- Eliminate water wastage and pollution during construction.
- Implement Water Saving Urban Design strategies.



32-on-Pine

Water saving initiatives

Construction-related initiatives

Within the initial design phase of the development implementation of water wise strategies by installing water efficient devices such as water saving flush toilets and taps, rainwater harvesting and the use of boreholes for construction activities assists in achieving the Group's water strategy.

Water efficiency strategies are implemented which ensure the prioritisation of water use. HSE further ensures a well maintained and operated water supply infrastructure by following the principles of water resource planning, water resource protection, water conservation and water demand management. Training and awareness on the management of water is continuous across all sites to prevent water from being wasted.

External water use licence audits, internal audits and consistent internal HSE monitoring, and reviews provide additional support around the legislative requirements needed in relation to the source of water utilised as well as compliance to internal water management strategies as set by Calgro M3.

Rain-water harvesting

Rain-water harvesting has been incorporated at the La Vie Nouvelle, 32-on-Pine, Fleurhof, South Hills, Jabulani Junction and Belhar developments. Each unit and/or a block of units are fitted with a tank which contributes to the capture and effective use of rain-water for and by community members.

At the La Vie Nouvelle Wellness and Lifestyle estate project, each unit is fitted with a 2 000-litre rainwater tank, used for gardening. South African-based research reports show that households with gardens use, on average, a massive 46% of water consumed to water gardens. Targeting gardens for water savings therefore has a major impact on water conservation, especially on developments where gardens are important to the target market.

Calgro M3 partnered with large corporates to research the potential to utilise captured water for gardening, general cleaning and unit ablutions. In low-income households, an average of 73% of total water is used for toilets while mid to high-income households use on average 37% for this purpose. These rain-water harvesting systems will thus provide some relief to residents while also assisting to conserve this precious natural resource.

Water rehabilitation and natural water sources

This is currently taking place on an ongoing basis at the Fleurhof, South Hills and La Vie Nouvelle developments. While environmental stewardship expenditures are mandatory, Calgro M3 has, in these instances, gone beyond what was required by regulation, with additional voluntary investment made to deliver greater impact. The Witpoortjie project is characterised by various watercourses, drainage lines and two wetlands, requiring wetland rehabilitation in future financial years. The Group has obtained a water use licence ("WULA") on all active projects where this is a requirement.

Calgro M3 currently uses authorised borehole water for construction activities on its Belhar and Scottsdene sites and for maintenance services at Fourways Memorial Park, Durbanville Memorial Park, Bloemfontein Memorial Park, Nasrec Memorial Park, Rustenburg Memorial Park and Enokuthula Memorial Park. Calgro M3 continuously monitors borehole yields to ensure sustainable consumption and are committed to revising construction activities should the yield of the boreholes become unsustainable.

Waste management

JSE E4

Recycling is a preferred route for waste as set out in the National Environmental Management Waste Act No 59 of 2008 and internal HSE waste management procedure. The strategy implemented aims at reducing the amount of waste going to landfills and follows the principles of the waste management hierarchy by first aiming to reduce the amount of waste generated, and then reuse and recycle waste where possible, and finally dispose of waste in an environmentally sound manner. The Group remains committed to providing the necessary resources to achieve the defined waste management objectives.

Waste bins are clearly marked at all Calgro M3 locations. Once full, all waste is separated into various waste streams and materials suitable for recycling are removed by the appointed waste service provider. Recycling statistics are kept and communicated on an ongoing basis. All waste is disposed of off-site at an approved waste landfill or treatment facility. To ensure safety of employees and members of the public no waste picking by informal waste pickers is permitted.

Building rubble waste has been prioritised for recycling. All clean rubble will be crushed and reused on-site. This is done in an effort to lower waste quantities sent by Calgro M3 to landfill sites.

In addition, some developments have recycling facilities earmarked within the development.

Energy management (electricity and heating)

JSE E1.2

Calgro M3 has reduced the electricity requirement from 3.5kVA to approximately 1.5kVA per residential unit on some Integrated Developments.

All internal professional teams have worked together to ensure compliance with the required standards of energy savings, water savings, and embodied energy savings through material procurement and usage.

Calgro M3 is not responsible for energy consumption outside of the organisation. Currently, Calgro M3 is only able to measure the amount of energy the Group consumes, as once properties are developed and sold to a homeowner, it is the homeowners' responsibility to maintain and settle energy consumption.

Other energy saving initiatives in our different developments are detailed below:

Heat pumps

Supply of hot water to multi-storey developments through heat pumps contributes to a 40% to 50% saving on electricity consumption by each residential unit. Heat pumps have been successfully implemented on the Jabulani, Fleurhof, Belhar and Scottsdene projects. This helps tenants save money on utilities, increasing affordability. This is a major benefit to the Social Housing Institutions as it helps reduce the risk of vacancies in a very price sensitive market.

Gas

The Group has successfully implemented gas reticulation on South Hills where internal gas is sourced from centrally positioned gas banks within the development which is being used for gas cooking across the various phases of the development. Gas geysers and gas cooking has been successfully implemented on Belhar and La Vie Nouvelle. Gas cooking solutions are used on the 32-on-Pine and Jabulani Junction development which assists in managing their energy consumption.

Induction geysers

Serves as an alternative to heat pumps. They reduce the time to heat water and therefore reduce the volume of hot water that needs to be maintained at any stage. This can reduce electrical consumption by between 25% and 35% per unit. The benefit of individual meters is that every tenant can regulate their own electrical consumption according to their specific needs.

Solar geysers

Currently being installed in the South Hills, Jabulani Junction, Belhar and 32-on-Pine projects with solar geysers as a standard feature.

Further to this both our 32-on-Pine and La Vie Nouvelle developments either offer solar off-the-grid installation optional extras or are "solar ready" for installation at a later date.

32-on-Pine

Developing environmentally conscious products and services

JSE E5

Calgro M3 is mindful of the full lifecycle of a product and of its carbon footprint. For this reason, the Group focuses on sustainable and liveable urban, landscape and architectural design strategies in an effort to ensure sustainability and minimise the impact on the environment.

These focus areas are:

- Pre-design phase ensuring the proper planning of resources including the location of land, zoning rights, existing facilities and infrastructure to minimise potential environmental disturbances on the project.
- Project design requirements including the following:
  - Identify energy efficient devices, products and building materials where possible.
  - Lighting and passive solar design including building orientation, maximising window and door designs to maximise natural light.
  - Temperature and ventilation includes consideration of orientation of buildings and the materials used to construct the buildings. Interior and exterior paint choices also impact temperature retention and is carefully considered.
  - Renewable resources and clean technology to be utilised during project development as far as possible.
- Materials and products to be utilised from the local area to minimise the environmental footprint (less pollution from transport) and reduce waste.
- Construction management ensuring that the contractor undertakes best working practices in relation to items such as waste management, water management, energy efficiency, etc.
- Evidence of recycled building materials, quality materials and machinery and material options to reduce the carbon footprint during construction by the contractor is required during the request for quote ("RFQ") process.

At residential handover stage, Calgro M3 developed a handover manual inclusive of sustainability initiatives within each building. This is an additional measure implemented to ensure that even clients of Calgro M3 contribute towards sustainability and reducing their carbon footprint in their everyday living. Water efficiency is enhanced in the form of hand-held shower and mixer taps as well as energy efficiency (energy saving light bulbs). Handover packs include additional energy and water conservation tips (efficient appliances for your home).

Bankenveld District City (BDC)

The Bankenveld District City development is designed with sustainability and environmental responsibility at its core and where the efficient use of our natural resources are at the forefront of our thinking. The 291-hectare mixed-use precinct incorporates an estimated 71 hectares of green spaces, public parks, and recreational areas, ensuring that nature remains an integral part of the urban landscape and important pedestrian links within the precinct.

The development's name itself draws inspiration from the *Bankenveld Grass biome* – the underlying ecological connector of the Gauteng province – reflecting a commitment to honouring the natural heritage of the site. The land, historically used as an agricultural school and a highveld grass research unit, carries a rich environmental legacy that informs the development's ecological approach.

Key environmental initiatives include the protection and rehabilitation of conservation areas, development of areas along the Jukskei river system into active parks, the relocation of existing plants with medicinal value on site to path the way for construction of roads and infrastructure in the first phase of the development. A rehabilitation plan for the Jukskei river is also to commence and where initiatives around the effective cleaning of the river is in discussions with local groups.

The development also acknowledges challenges around conservation efforts for local wildlife (in this case Barn Owls), which continue to be addressed as part of the planning process.

Environmental and town planning approvals and water use license were obtained simultaneously across the full scope of the project – a notable commitment to thorough regulatory compliance.

BDC aims to set a new benchmark for smart, sustainable, and inclusive urban development in South Africa.

Bankenveld District City

Green spaces

The amount of "open" space or green areas we include in our developments makes all the difference – our aim is to build suburbs, not townships. Our focus is furthermore to provide a balance between passive and active open spaces. The open space areas which are environmentally sensitive due to wetlands, areas within a floodline, ridges, etc., are characterised as "passive open space" and will remain protected as per the site-specific Environmental Management Plan. All residents have access to these areas and may utilise the areas for low-impact recreational purposes.

The active open spaces are introduced strategically throughout the development, specifically for recreational purposes. Active open spaces are professionally landscaped, and children's play facilities are provided, creating spaces of which the communities take ownership and can be proud of. This is part of Calgro M3's vision and mission – to build homes and create lifestyles, rather than simply providing housing.

The following analysis provides insight into the extent of our efforts:

Integrated township	Total free-standing units	Total multi-storey units	Total green space
South Hills	1 053	4 792	112.28 ha
Fleurhof	2 092	16 778	108.99 ha
Bankenveld District City	0	20 000	70.9 ha

Green space provided

Environmental education initiatives

Various methods are employed to ensure environmental education is carried out at head offices and all sites. Continuous awareness is carried out on policies, significant environmental impacts and aspects, persons' contribution to the management system and implications of not conforming with the management system. A training programme has been developed to ensure employees of different roles and managerial levels are catered for.

Other environmental initiatives

Environmentally sensitive and biodiverse areas have been identified and will be actively protected at the Fleurhof, South Hills and Witpoortjie developments. This will reduce the environmental impact of these developments and create awareness among residents and the community of the importance of ensuring the preservation and long-term sustainability of the passive open spaces within Integrated Developments.

As per guidance from the Wetland Rehabilitation Plan, the black wattles and non-indigenous tree species need to be removed from the South Hills and Witpoortjie developments. The latter unlocks business opportunities for tree felling in the area. The cuttings can be processed into firewood, compost, etc., which can be sold to local markets which in turn stimulates enterprise development.

Achieving a balance between densification and lifestyle needs is important. On a project like Jabulani Junction where development takes place within the centralised business district, or city centre, development is driven by densification, resulting in less open spaces. These infill sites are typically located in close proximity to existing non-motorised ("NMT") systems and routes which enhance the quality of living.

The preservation and restoration of heritage sites is managed in partnership with the relevant statutory regulatory bodies. A heritage study is conducted at all development sites to ensure the preservation of our heritage.

In the context of the projects we deliver, Calgro M3 further strives to fully consider, carefully plan and ultimately integrate its developments into existing environments and communities, preserving biodiversity and accommodating ecological sensitivities. We actively ensure environmentally friendly implementation of our developments, and plant at least one tree per unit built.

Environmental and ecological management plans are compiled, approved, implemented and monitored for compliance at each project site. Landscaping is also done at each development.

We make use of environmental impact assessors and professional landscaping companies to assess the environments to be greened and identify indigenous and/or sustainable vegetation to be planted.

Some of Calgro M3's developments are being built on land where areas of high biodiversity have been identified. Construction poses a high risk to sensitive environments, so detailed design and planning based on thorough data analysis helps ensure environmental sustainability. Independent environmental consultants appointed by Calgro M3 apply for environmental authorisation, and independent environmental control officers manage and enforce the environmental management plans.

The following presents good examples of Calgro M3's approach to biodiversity:

The Fleurhof development is affected by a wetland and the Fleurhof Dam. Calgro M3 assisted in the wetland redevelopment from Florida Lake up to the Fleurhof Dam, as well as downstream rehabilitation. Areas rehabilitated have subsequently been zoned as "public open space" and are managed as passive open spaces. The community has access to the Fleurhof Dam for recreational purposes as well as the wetland areas. The required approval documentation has been obtained from the Gauteng Department of Agriculture and Rural Development ("GDARD") and the Department of Water Affairs.

Rehabilitation and management of watercourses is emphasised in all Calgro M3 developments. In all active projects a Water Use Licence ("WULA") is obtained to allow for construction in close proximity (within 500 m) to a watercourse and to allow for the rehabilitation of the applicable wetland system. The developments currently affected by these regulations are Bankenveld District City, Fleurhof, South Hills and the La Vie Nouvelle Wellness and Lifestyle Estate.

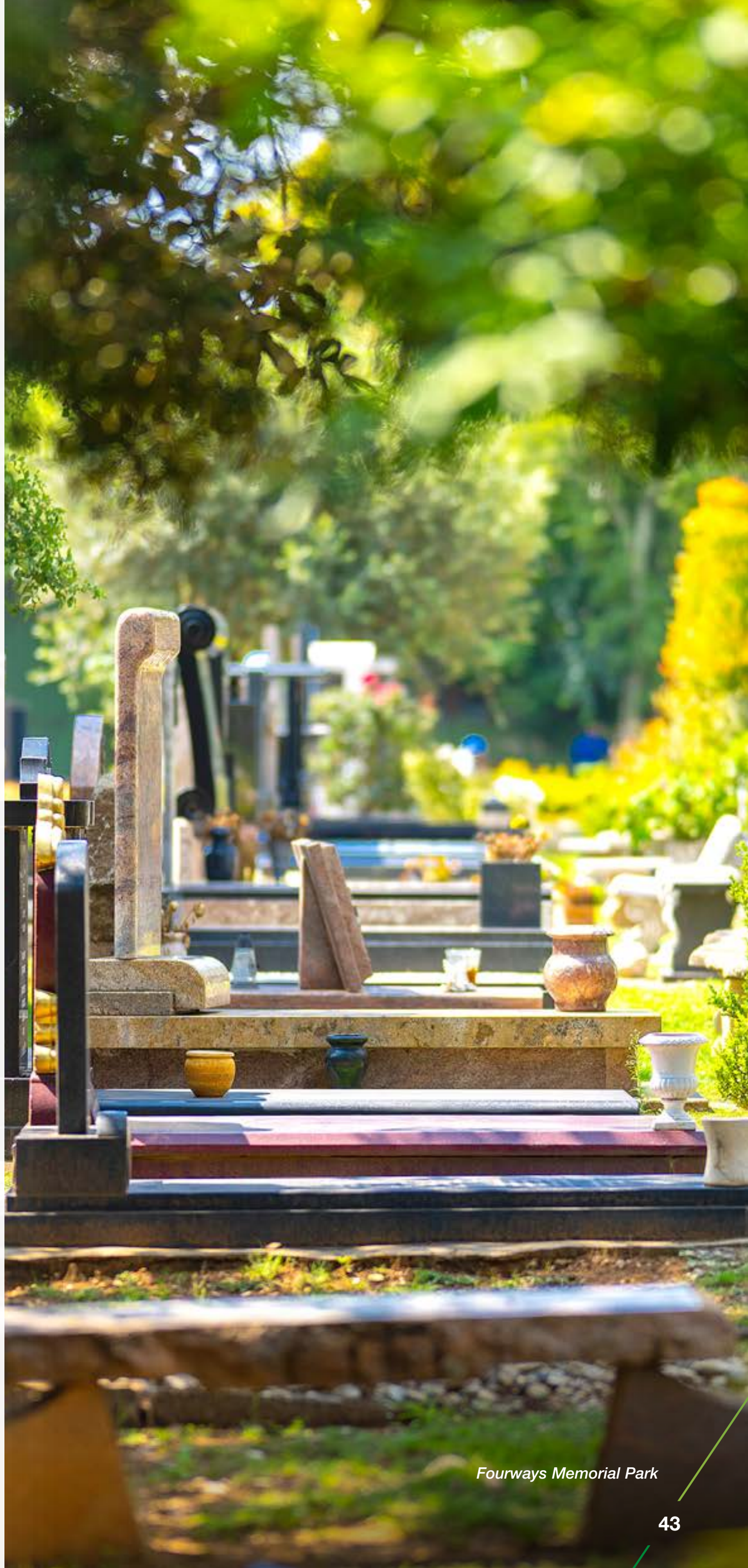
The South Hills Development in the southern suburbs of Johannesburg has been designed to accommodate the ecological sensitivities of a Class 2 inverted ridge, wetlands and a Red Data plant species (defined as a threatened plant species by the International Union for the Conservation of Nature, or IUCN) for biodiversity and conservation purposes. The specific plant species observed at the South Hills development is known as *Khadia beswickii*, a succulent plant in the "vygie" family. Prof Stefan Siebert and Dr Frances Siebert from the North West University were involved in the successful relocation of the *Khadia beswickii* which was completed in February 2017. Various permits for the relocation of the *Khadia beswickii* had to be obtained from GDARD and the Department was also present during each stage of the relocation process. All the sensitive conservation elements within the South Hills Development represent 55% (100.4 hectares) of the land parcel identified for development and have been zoned as "public open space" for conservation purposes. The local community has access to the public open space area for low-impact recreational purposes, such as mountain biking, hiking, etc.

All conservation and wetland areas within our developments are rehabilitated to ensure that the areas are cleared from alien plant species and to safeguard the protected area-specific plant and animal species. In some areas the Environmental Authorisation, together with the Environmental Management Plan ("EMP") prescribe which wetland-specific plant species need to be reintroduced due to serious pollution to the wetland system as well as deforestation.

The Bankenveld District City Development "District City", located on the periphery to the Sandton node in Johannesburg, is approximately 298 ha, of which 60 ha will be set aside for private open space for parks, running paths, sport fields, recreational facilities and conservation. At District City, we are dedicated to preserving and enhancing biodiversity as part of our environmental commitment. Through our ecological initiatives, we actively contribute to the United Nations SDGs, in particular Goals 15, 6 and 12. One of our key achievements has been the successful relocation of indigenous plant species, ensuring their survival. The endangered Egoli Granite Grassland, a critical ecosystem in the region, has been carefully managed, with plant rescue and rehabilitation programmes in place. We have successfully relocated *Hypoxis hemerocallidea* (African Potato), an ecologically significant species, under (SDG 15). Additionally, we have established green corridors for critical habitats and buffer zones around watercourses, ensuring the protection of sensitive areas. These areas have been rezoned to prevent construction, allowing natural ecosystems to thrive while maintaining ecological connectivity (SDG 6 and SDG 15). These efforts support a rich diversity of flora and fauna and contribute to long-term water quality and ecosystem maintenance. As part of our sustainability strategy, existing stockpiles on-site, including old building materials, will be recycled and reused in future development. This initiative reduces the demand for new materials, minimises our environmental footprint, and promotes a circular economy approach to construction (SDG 12). Aligned with SDG 6, we aim to work with local communities, government departments and NGOs to restore and maintain clean watercourses. Through joint efforts, we will remove pollutants, prevent contamination, and promote sustainable water management.

Key data points – Our environmental efforts

ENVIRONMENTAL	Units of measure	JSE sustainability disclosure guidance	2026	2025
ELECTRICITY				
Volume of electricity purchased	MWh		247	272
WATER MANAGEMENT				
Water used across office network	m^3	S2.1a	1 778	2 874
LAND				
Land under development – Integrated Developments	ha	E3.1a	1 161.61	1 148.15
Land under development – Memorial Parks	ha	E3.1a	88.73	63.15
Land owned not currently under development	ha	E3.1a	404.08	391.94
Total – Company owned land	ha	E3.1a	1 654.41	1 654.41
WASTE				
Hazardous waste disposed of at appropriated facilities	tons	S4.1b	0.0	1.20
Non-hazardous waste sent to landfill	tons	S4.1a	277	162
Plastic	tons	S4.1a	1.5	0.2
Paper	tons	S4.1a	8	4
Recycled waste – other	tons	S4.1a	73	74
Total volume of waste recycled (or reused)	tons	S4.1a	83	76
Percentage of waste disposed of that is sent for recycling (or reuse)	%	S4.1a	23	32
Target – percentage of waste disposed of that is sent for recycling (or reuse) – by 2025	%	S4.1a	55	55
ENVIRONMENTAL				
Fuel consumption – non-renewables	Litres	–	56 419	113 327



Fourways Memorial Park

06

Our approach to governance

Our approach to governance embraces the mechanisms, processes and practices used to ensure accountability, transparency and ethical behaviour. This is undertaken to ensure that stakeholders' interests are protected and to ensure that the organisation has sound management and accountability structures in place in order for it to deliver on its mission while protecting these stakeholders from harm.

This report provides information on policies and procedures, background on how decisions are made; an overview of effective corporate structures and committees, checks and balances to ensure that decision-making processes are fair and transparent; balanced against appropriate internal controls designed to mitigate risks that could affect stakeholders' interests.

G

Our approach to governance

The Board of Directors of Calgro M3 ("the Board") believes that sound corporate governance structures and processes are crucial for delivering responsible and sustained growth for the benefit of all its stakeholders. The Group has implemented controls to ensure compliance with these requirements and has delegated the necessary responsibility for managing the impacts to the Executive Directors. Transparency, accountability and openness in reporting and disclosure of information, both operational and financial, are vital to good corporate governance. Achieving these objectives demonstrates the Group's commitment to ethical standards and prudent risk parameters.

Corporate governance structure

The Group is committed to transparency in its communication and reporting, managing the business along best practice principles with impact measurement and reporting structures in place.

Statement of compliance

The Group endorses and remains committed to sound corporate governance and compliance with the JSE Listings Requirements, King IV™ report on Corporate Governance™ for South Africa, 2016 ("King IV™"), and the International Integrated Reporting Framework. The Group has published its King IV™ application register on its website www.calgrom3.com.

The Board has confirmed that, to the best of its knowledge, the Group:

(i) complied with the provisions of the Companies Act, No. 71 of 2008, as amended ("Companies Act")

(ii) operated in accordance with the Calgro M3 Memorandum of Incorporation ("MOI"), during the year under review

Board of Directors

The Board is the focal point of corporate governance in the Group, and it is ultimately accountable and responsible for the performance and affairs of the Group. The Board has a charter and in line with the charter the Board's objective is to provide responsible business leadership, acting ethically, with leadership and integrity in the interest of all stakeholders.

Responsibilities of the Board

- Approve, monitor and review corporate strategy, including business plans and budgets;
- Monitor the relationship with management, the shareholders and other stakeholders
- Ensure compliance with King IV™ and establish effective governance mechanisms
- Oversee internal control, governance, risk management and information technology;
- Approve major acquisitions, disposals and corporate actions;
- Guide Group values, and ensure ethical business practice;
- Ensure that the mandate for transformation and sustainability actions are upheld;
- Appoint the Chairperson and CEO, nominate Directors and review Directors' and Senior Management's remuneration, appointments and succession plans;
- Approve the authorities assigned to its Committees and management; and
- Resolve disputes and conflicts of interest.

The scope of authority, responsibilities and functions of the Board are reviewed annually.

The quorum for Board meetings is 60% of the Directors.

The Board is supplied with all relevant information and has unrestricted access to the management of the Group and all Group information, which enables the Directors to adequately discharge their responsibilities. Directors are afforded the opportunity to engage meaningfully in Board deliberations and to speak up when they have a concern. Full and effective control over all operations of the Group is retained by the Board at all times.

All Directors and Board Committees have unrestricted access to the Group Secretary and may, if deemed necessary and in appropriate circumstances, take independent professional advice at the Group's expense.

There is a policy evidencing a clear balance of power and authority at Board level, with no Director having unfettered decision-making powers.

Directors are required to complete and sign declaration of interests forms annually as well as to confirm if there are any matters of conflict with respect to any matters on the Board agenda at every Board meeting.

Board composition

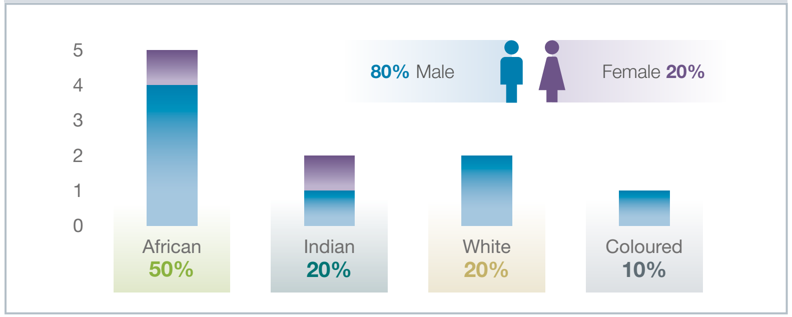
The Board operates as a unitary Board comprising three Executive Directors, six Independent Non-Executive Directors and one Non-Executive Director. The Board Chairperson is an Independent Non-Executive Director. The Board also has a Lead Independent Non-Executive Director whose functions include to serve as a sounding board for the Board Chairperson, to strengthen the independence of the Board and to offer support and guidance to the Directors.

The roles of Chairperson and CEO are separate, with a clear division of roles and responsibilities defined in the Board Charter.

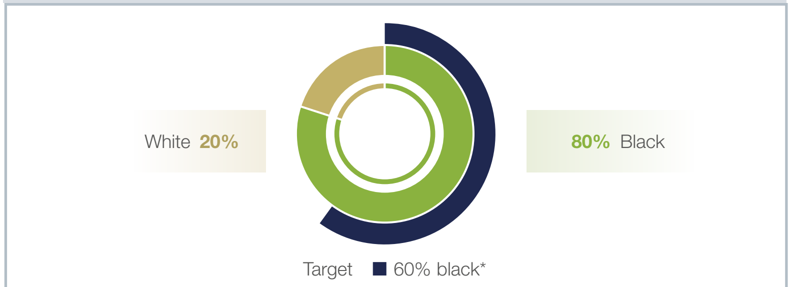
The Board reviews, on an annual basis, its composition of Directors. When determining the number of Directors to serve on the Board, the knowledge, skills and resources required as appropriate to the Group is considered. The Group has adopted a policy that sets out the approach to achieve broader diversity at the Board level, specifically focusing on the promotion of diverse attributes of gender, race, age, field of knowledge, skills and experience. The targets aim to achieve a balance of representation on the Board. Any new appointments are considered against these targets.

In considering candidates to serve on the Board, consideration is also given to candidates who qualify to serve on Board Committees. All Board members have the necessary knowledge, experience and expertise to serve on the Board.

Board composition — JSE G1.3

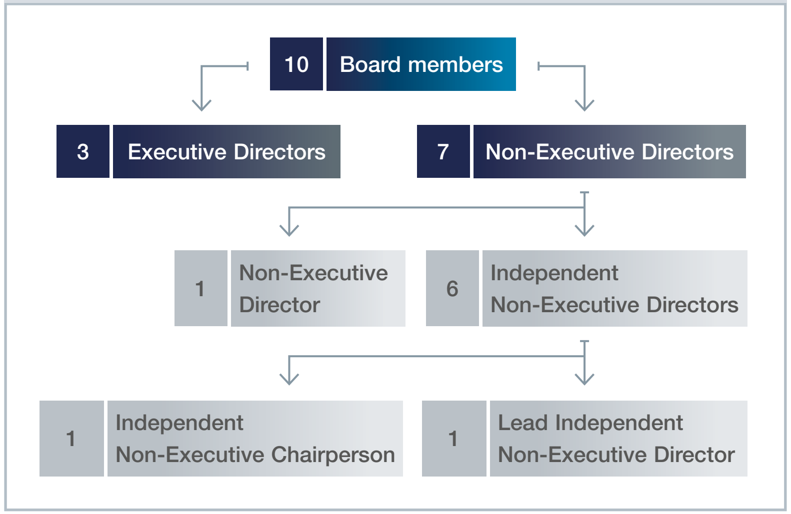


Race — JSE G1.1

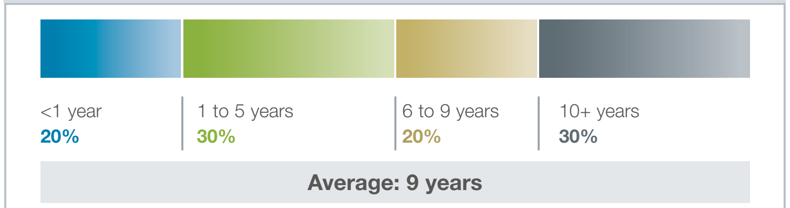


* "Black" includes African, Coloured and Indian.

Board composition — JSE G1

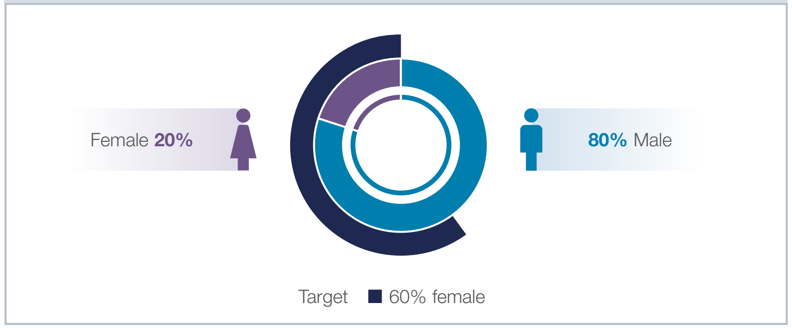


Tenure — JSE G1.3



Mr Malherbe, appointed as CEO in 2025, previously served on the Calgro M3 Board from 2007 to 2019.

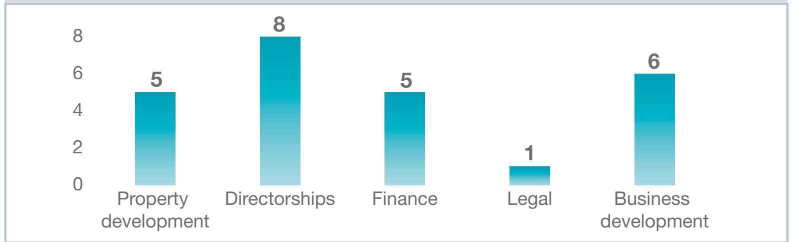
Gender — JSE G1.1



Age groups — JSE G1.3

	African	White	Indian	Coloured
61+	1	1	–	–
51-60	2	1	–	–
41-50	2	–	–	–
30-40	–	–	2	1
	5	2	2	1

Experience (number of Directors)



Calgro M3 Board of Directors

(Reported as at 28 February 2026)

Independent Non-Executive Chairperson
Hatla Ntene

Lead Independent Non-Executive Director
Ralph Patmore

Executive Directors	Independent Non-Executive Directors	Non-Executive Director
Ben Pierre Malherbe (CEO)	Mdu Gama	Leo Chou
Sayuri Naicker (CFO and Debt Officer)	Themba Baloyi	
Allistiar Langson	Tyrone Moodley	
	Kholeka Mzondeki	

Remuneration and Nomination Committee	Audit and Risk Committee	Social and Ethics Committee	Investment Committee*	Stakeholder Relations
Ralph Patmore (Chairperson Remuneration Committee)	Kholeka Mzondeki (Chairperson)	Mdu Gama (Chairperson)	Tyrone Moodley (Chairperson)	Ben Pierre Malherbe
Hatla Ntene (Chairperson Nomination Committee)	Ralph Patmore	Tyrone Moodley	Themba Baloyi	Sayuri Naicker
Themba Baloyi	Mdu Gama	Sayuri Naicker	Leo Chou	Allistiar Langson
Ben Pierre Malherbe#	Ben Pierre Malherbe#	Ben Pierre Malherbe#	Ben Pierre Malherbe#	
	Sayuri Naicker#	Allistiar Langson#	Sayuri Naicker#	

* *The investment committee was re-established in the current financial year. Full reports will be made available in the next reporting cycle.*

\# *By invitation.*

Board and committee attendance can be found on page 52.

Appointment of Directors

The Board has a formal and transparent policy for appointing Directors. The Remuneration and Nomination Committee oversees the nomination and interview process, considering candidates' experience, knowledge, skills, availability, likely fit and other commitments. Targets for gender and race diversity are in place; this includes a target of 60% female and 20% black representation.

Induction of new Directors

A formal orientation programme ensures new Directors acquire the necessary competence and knowledge to fulfil their fiduciary duties.

The governance of Calgro M3 requires that Directors possess a sound understanding of the business and knowledge of the markets in which the Group operates, and they must exercise due care and skill in their fiduciary duties. The selection of Directors is based on their knowledge, experience, business acumen, the diversity of their professional backgrounds, and their academic qualifications. Diversity within the Board plays a crucial role in the appointment of Directors to ensure that the composition of the Board reflects the demographics of South Africa. The Group has adopted and implemented a policy outlining its approach to achieving broader diversity on the Board of Directors in accordance with the JSE Listings Requirements.

Rotation, re-election and appointment of Directors

In line with the MOI, one-third of the Non-Executive Directors are required to retire, and if available and eligible, stand for re-election at the Company's Annual General Meeting ("AGM"). Those Directors who have been in office the longest, as calculated from the last re-election or appointment date, are required to stand for re-election.

At the AGM, Hatla Ntene, Themba Baloyi and Tyrone Moodley will retire and be eligible for re-election. Brief professional profiles can be found on pages 34 to 35 of the Integrated Annual Report.

Independence

Independent Non-Executive Directors serving for over nine years are subjected to a rigorous review of their independence and performance by the Board. The Board makes full disclosure regarding individuals serving for more than nine years to enable shareholders to make their own assessment of Directors. This, together with the test of being judged from the perspective of a reasonable and informed third party and other indicators in a substance-over-form basis.

Hatla Ntene, Mdu Gama, Themba Baloyi, Ralph Patmore, Kholeka Mzondeki and Tyrone Moodley were found to be independent. The categorisation of Directors can be found on page 37 of the Integrated Annual Report.

All Independent Non-Executive Directors have been reassessed for independence

Evaluation of the Board

The Board analyses and evaluates its performance and effectiveness every two years through a questionnaire based on King IV™ principles.

This evaluation was completed in the previous financial year by the Directors with the results of the evaluation being reported at a Board meeting. The results indicate that the Board is fulfilling its role effectively with some areas identified for improvement

Remuneration of Board members

Detailed disclosure of incentives and remuneration practices and policies are included within the Integrated Annual Report pages 40 to 52 and include the current and proposed Executive and Non-Executive Directors' remuneration structure.

JSE G2.1

Exco

Exco is responsible for the day-to-day running of the Group, with the CEO as the head.

Exco's initiatives and progress are reported to the Board via Board packs made available in advance of Board meetings or whenever deemed appropriate or necessary. Exco meets regularly at set intervals, but also holds ad hoc meetings as required.

Fourways Memorial Park

Board Committees

The Board has a Remuneration and Nomination Committee, a Social and Ethics Committee, Audit and Risk Committee and Investment Committee. Each Committee plays an important role in enhancing governance and achieving increased effectiveness and has formal terms of reference reviewed annually.

Board Committees assist the Board in discharging its duties and responsibilities, but without abdicating the Board's responsibilities. Each Committee has formal approved and written terms of reference that are reviewed annually to ensure effective delegation of roles and responsibilities from the Board. The Board composition for the 2026 financial year is depicted in the table below.

	Remuneration and Nomination Committee	Social and Ethics Committee	Audit and Risk Committee	Investment Committee
Composition	**Chairperson Remuneration Committee:** Ralph Patmore (Independent Lead Non-Executive Director) **Chairman Nomination Committee:** Hatla Ntene (Independent Non-Executive Director and chairman of the Board)	**Chairperson:** Mdu Gama (Independent Non-Executive Director) In accordance with statutory requirements, the Committee shall be constituted by no fewer than three Directors provided that the majority of the members be Non-Executive members.	**Chairperson:** Kholeka Mzondeki (Independent Non-Executive Director) In accordance with statutory requirements, the members of this Committee are all Independent Non-Executive Directors.	**Chairperson:** Tyrone Moodley (Independent Non-Executive Director) In accordance with the Committee Terms of Reference, the members are all Non-Executive Directors.
Committee objectives	**Assisting the Board from a Remuneration Committee perspective with:** ▸ Approving of the Group's adopted remuneration policy; ▸ Ensuring that the remuneration strategy is market-related and competitive; ▸ Ensuring that remuneration for executive performance, where applicable, including their short and long-term incentives, is based on performance and as such, that performance is measured and rewarded; ▸ Determining specific remuneration packages for senior executives of the Group; ▸ Considering the relationship between senior executive remuneration and that of other senior Group employees; ▸ Considering and recommending Non-Executive Directors' fees for their services on the Board and its Committees; ▸ Ensuring that disclosure of Directors' remuneration is accurate, complete and transparent and in line with shareholder expectations;	▸ Align the Group's Social and Ethics strategy with its overall business strategy; ▸ Recommend to the Board the strategies and policies to ensure the Group's social and environmental targets are achieved; ▸ Monitor the implementation and efficiency of the Employment Equity Plan; ▸ Monitor activities relevant to social and economic development, good corporate citizenship, environment, health and safety and consumer relationships; ▸ Review policies and statements on ethical standards and on whistle-blowing; and ▸ Monitor empowerment progress within the Group to ensure the adoption of empowerment policies in all areas in a sustainable manner.	▸ Adequate systems of accounting records, effective financial reporting and internal control systems are in place and fully functional; ▸ Oversight of the Integrated Annual Report, financial results and monitoring of sustainability reporting; ▸ Recommendations to the Board and shareholders on the appointment of external auditors and approve its fee for the year; ▸ Review of findings and recommendations of internal and external auditors; ▸ Evaluation of the expertise and experience of the Chief Financial Officer and the overall finance function; ▸ Monitoring any non-audit services rendered by external auditors; ▸ That significant business, financial and other risks are identified and mitigated; ▸ Appointment of internal auditors and approval of their scope of work; ▸ The review of the risk management process and procedures, including the effectiveness of systems and processes;	▸ Review and assess the Group's project proposals; ▸ Review key risks specific to the project presented, for noting during the next Board meeting risk register discussion; ▸ Consider post-investment reviews of projects; ▸ Review and assess the Group's project disposals, and disposal of non-core investments or assets; ▸ Review and assess proposed investment transactions; ▸ Review and assess proposed new strategic initiatives before presentation thereof by the Executive Directors to the Board; ▸ Annually review and, if appropriate, update the: – Terms of Reference, subject to Board approval; – Subject to Board approval, the Delegation of Authority of the Exco relating to (a) the sale of assets and (b) acquisition of new projects and assets;

	Remuneration and Nomination Committee	Social and Ethics Committee	Audit and Risk Committee	Investment Committee
Committee objectives	- Approving the structure of short-term incentive schemes, including determining the targets and participation thresholds thereof; and - Approving the structure of long-term share incentive schemes, including the determination of allocation criteria and performance conditions. **Assisting the Board from a Nomination Committee perspective with:** - Ensuring that the Board has an appropriate composition to execute its duties effectively; - Ensuring that Directors are appointed through a formal process; - Facilitating induction and ongoing Director training and development; and - Overseeing the development of formal succession plans for the Board, CEO and Senior Management.		- Satisfactory standards of governance, reporting and compliance in conformance to King IV™ principles and recommended practices, the Companies Act and the JSE Listings Requirements; - Group assets are safeguarded; - IT responsibilities are carried out by management; - The appointment of the external auditor is presented and included as a resolution at the Annual General Meeting pursuant to section 61(8) of the Companies Act; - That appropriate financial reporting procedures exist and operate effectively as contemplated in the JSE Listings Requirements and the Debt and Specialist Securities Listings Requirements; and - The external auditor is independent of Calgro M3, as set out in section 94(8) of the Companies Act, and suitable for reappointment by considering, inter alia, the information stated in the JSE Listings Requirements and the Debt and Specialist Securities Listings Requirements.	- Investigate any matter within the scope of its responsibilities and make appropriate recommendations to the Board.
	Meetings required across the year: 2 **Meetings held during the year: 3**	**Meetings required across the year: 4** **Meetings held during the year: 4**	**Meetings required across the year: 4** **Meetings held during the year: 4**	**Meetings required across the year: 2** **Meetings held during the year: 2**
	The Committee has fulfilled its mandate as prescribed by the Companies Regulations to the Companies Act and there were no instances of material non-compliance to disclose.	The Committee has fulfilled its mandate as prescribed by the Companies Regulations to the Companies Act and there were no instances of material non-compliance to disclose.	The Committee has fulfilled its mandate as prescribed by the Companies Regulations to the Companies Act and there were no instances of material non-compliance to disclose. The full Audit and Risk Committee report can be downloaded in the Annual Financial Statements section of the Integrated Annual Report suite on the Calgro M3 website.	The Committee has fulfilled its mandate as prescribed by the Companies Regulations to the Companies Act and there were no instances of material non-compliance to disclose.

Board and committee attendance

Name	Age JSE G1.1	Year appointed JSE G1.3	Committee Chairperson JSE G1.3	Independent JSE G1.3	Attendance by Committee: Audit and Risk Committee	Remuneration and Nomination Committee	Social and Ethics Committee	Investment Committee	Attendance Board meetings^
Non-Executive Directors									
Hatla Ntene (Chairperson: Board)	72	2007	Nomination Committee	Yes		3/3		2/2	5/5
Ralph Patmore (Lead Independent)	74	2011	Remuneration Committee	Yes	5/5	3/3			5/5
Mdu Gama	56	2012	Social and Ethics Committee	Yes	5/5		5/5		5/5
Kholeka Mzondeki*	59	2025	Audit and Risk Committee	Yes	3/3				3/3
Themba Baloyi	50	2020		Yes		2/3		2/2	5/5
Tyrone Moodley	40	2020	Investment Committee	Yes			5/5	2/2	5/5
Leo Chou*	46	2025		No				2/2	3/3
Executive Directors									
Sayuri Naicker	36	2022		No	5/5		5/5	2/2	5/5
Ben Pierre Malherbe	60	2024		No	5/5	3/3		2/2	5/5
Allistiar Langson	40	2024		No					4/5
In attendance									
Juba Statutory Services was appointed as the Group Company Secretary and is represented by Sirkien van Schalkwyk									

\# *Attendance as Company Secretary.*
^ *Includes attendance of the Board Strategic Session.*
* *Appointed June 2026.*

Company Secretary

The Company Secretary of a listed company is responsible for ensuring that the Board complies with the JSE Listings Requirements and ensures that the annual compliance certificate is submitted to the JSE. The Company Secretary ensures that, in accordance with the pertinent laws and regulatory framework, the proceedings and affairs of the Board and its members are properly administered.

The Board satisfied itself regarding Sirkien van Schalkwyk's work experience (representing Juba Statutory Services), performance, technical skills and overall competence in fulfilling her role as Company Secretary at the previous meeting of the Board (during which time she was excused from the meeting). She is a consultant and maintains an arm's length relationship with the Board. She reports to the chair on all statutory duties and functions relating to the governing body.

The Company Secretary's primary responsibilities are to:

- ensure that Board procedures are followed and reviewed regularly;
- ensure applicable rules and regulations for the conduct of the affairs of the Board are complied with;
- maintain statutory records in accordance with legal requirements;
- guide the Board as to how its responsibilities should be properly discharged in the best interest of the Company; and
- keep abreast of, and inform, the Board of current and new developments regarding best practice corporate governance thinking and practice.

Shareholder engagement

Transparent communication and engagement with stakeholders is vital to ensure that the principles on stakeholder management expressed in King IV™ are adopted. The Group regularly communicates its strategy, performance and vision to shareholders through presentations delivered during results roadshow presentations and SENS. Management regularly meets with investors and shareholders in one-on-one meetings on request. The Exco with the assistance of an external investor relations consultant are tasked to be the spokespersons in the above instances.

It is the policy of the Group to pursue regular dialogue with institutional investors, engaging constructively within the frameworks provided by statutory and regulatory environments regarding the dissemination of information. This helps ensure a fair and accurate representation and valuation of the Group and its performance.

PSG Capital acts as the Group's JSE equity and debt sponsor and ensures that the Group complies with the JSE Listings Requirements, and Debt and Specialist Securities Listings Requirements.

The Group's AGM provides an important platform for engagement with shareholders and offers them the opportunity to participate in discussions relating to the Group.

Dealings in securities

No Director, prescribed officer, Company Secretary or other employee may deal directly or indirectly in the Group's shares based on unpublished price-sensitive information. In addition, no Director, prescribed officer, Company Secretary or employee possessing price-sensitive information may trade in the Group's shares during closed or prohibited periods.

Closed periods are from the end of the interim and annual reporting periods to the announcement of financial and operating results for the respective periods, and while the Group is trading under a cautionary announcement.

Before dealing in Calgro M3 shares, the Company Secretary and all the Directors and prescribed officers, as well as all the Directors and Company secretaries of major subsidiary companies, are required to obtain written clearance from the Group CEO or the Chairperson. Similarly, the CEO requires prior clearance from the Chairperson.

The same rules and restraints apply where securities are held by immediate family members of the parties mentioned above.

The Company Secretary keeps record of all consents and dealings in Calgro M3 shares by Directors, prescribed officers and the Company Secretary.

Conflict of interest

Directors must disclose any conflicts of interest, and a policy guides them on when to declare an interest. No recorded conflicts of interest have been noted in the reporting period.

Nasrec Memorial Park

Code of conduct and ethics JSE G3.2c

It takes into consideration impact areas which include:

- Economic
- Ethical
- Legal
- Discretionary

Ensuring that an assessment of the relevance of these and how they impact stakeholders and the organisation, are well understood.

Code of conduct and ethics assists with:

- Distinguishing between acceptable and unacceptable practices
- Providing a comprehensive set of ethical corporate standards
- Insisting upon ethical behaviour by the Board, management and the employees across the Group
- Guiding ethical decision making
- Assisting in the resolution of conflicts

The Group's success depends on the trust and confidence from all stakeholders.

The Code of Conduct and Ethics ("the Code") details ethical and business conduct policies for employees. This applies to the Group, its Board of Directors, all its employees, agents, main contractors and sub-contractors. It applies to employee interactions with clients, service providers, government and regulatory agencies, and the general public, and to interactions between employees. All employees are expected to be familiar with, and adhere to the Code, and to contact the HR Department for clarity if questions arise.

The Code outlines the conduct that is required from all Directors and employees.

The Code has been actively endorsed by management and forms part of the induction process of all employees.

Compliance, competition and dialogue

Calgro M3's commitment to integrity begins with adherence to laws, rules, and regulations in all business dealings and activities. Each employee must understand the Group's policies, as well as the laws and regulations that pertain to their specific roles. If an employee is uncertain about whether a proposed action is permitted by law or Company policy, they should seek guidance from the HR Department. Each employee is responsible for preventing legal violations and for reporting any potential breaches they may encounter.

Calgro M3 is committed to ethical, fair and vigorous competition. Employees will sell Calgro M3 products and services based on their merit, superior quality, functionality and competitive pricing. Calgro M3 will make independent pricing and marketing decisions and will not improperly cooperate or coordinate its activities with its competitors. Employees will not offer or solicit improper payments or gratuities in connection with the purchase of goods or services for Calgro M3 or the sale of its products or services, nor will they engage or assist in unlawful boycotts of particular suppliers.

Employees must respect the property rights of others. Employees will not acquire or seek to acquire by improper means a competitor's trade secrets or other proprietary or confidential information. Employees will not engage in unauthorised use, copying, distribution or alteration of software or other intellectual property.

To ensure that the Code remains effective, managers are responsible for addressing the ethical questions or concerns raised by employees and for taking the appropriate steps to deal with such issues promptly. Managers should not consider employees' ethics concerns as threats or challenges to their authority, but rather as an encouraged form of business communication. The ethics dialogue is a natural part of daily work. Managers must take reasonable care to assure that subordinate employees comply with the Code. Managers are responsible for employee misconduct if they order the misconduct and/or ratify the conduct, whether by inaction, failing to act appropriately or failing to discover via reasonable diligence that the misconduct occurred.

Calgro M3 takes a zero-tolerance approach to violations of this Code, failure to report actual or suspected violations of the Code, or retaliation against whistle-blowers. Employees that are found to have violated this Code or to have retaliated against whistle-blowers will face disciplinary action. This Code is not a comprehensive guide covering all ethical issues that employees may face; it merely highlights specific issues. This policy regulating the Code may be modified or updated at any time. The Group welcomes employee suggestions on changes to this Code. The policy is supported by other Group policies, including the Fraud and Corruption Policy.

The Group prohibits child and forced labour, and we do not recruit illegal immigrant workers. JSE S5.1

Whistle-blowing JSE G3.1d

The Group has an anonymous reporting function (Tip-offs Anonymous via a 24-hour whistle-blowing hotline, which deals with ethics matters, is managed by Deloitte) that enables employees and any concerned individual not in the employ of Calgro M3 to report any fraudulent, corrupt or unethical practices.

During the period under review there were no material matters reported on the whistle-blowing hotline.

The Ethics Hotline is intended to encourage employees, stakeholders and members of the public to raise serious concerns relating to specific matters (including fraud and corruption) without fear of victimisation. No person will suffer any penalty or retribution for good faith reporting of any suspected or actual incident of fraud or corruption.

Should any employee or member of the public wish to make use of this service (with the option of remaining anonymous), kindly contact us through the Ethics Hotline by the following means:

Toll-free number:	0800 204837
Send a fax to:	0800 007788
Send an e-mail to:	calgrom3@tip-offs.co.za
Visit the website at:	www.tip-offs.com

Deloitte.

Fraud, corruption and anti-money laundering – zero tolerance JSE G3.1d

Calgro M3 is committed to preventing and detecting fraud, corruption and anti-money laundering. The approach is supported by our Fraud, corruption and anti-money laundering Policy, which helps define management and employee responsibilities in this area and entrenches an anti-fraud, anti-corruption and anti-money laundering culture. The policy ensures consistent and effective investigation, reporting and disclosure, in an aim to minimising instances of these matters occurring within the Group.

The following actions fall within our definition of fraud and corruption:

- Theft of Company property, including information
- Forgery or alteration of Company documents
- Wilful destruction or removal of Company records
- Falsification of expense claims
- Unauthorised disclosure of confidential information to outside parties (other than in terms of relevant legislation or a court order)
- Misappropriation or use of Company assets for personal gain
- Undertaking or assisting in illegal activity (including money laundering)
- Acceptance of bribes or gifts to favour third parties
- Unauthorised premium discounting
- Knowingly generating or paying false claims or invoices

This policy, together with the communication and training which accompanies it, reduces the opportunity for fraud, corruption and money laundering, introducing preventative and investigative measures into systems and processes, and ensuring that anti-fraud, anti-corruption and anti-money laundering controls are considered and built into new systems and processes at the design stage.

Fraud, corruption and money laundering risk is assessed regularly as part of the business' risk management process, as follows:

- Risk awareness training is conducted regularly with staff in high-risk functions.
- Management and staff vigilance is heightened as awareness of fraud, corruption and money laundering risks is increased throughout the Company.
- Each department within Calgro M3 is responsible for assessing its exposure to fraud, corruption and money laundering risk and implementing preventative controls in both new and existing systems and processes, as well as ensuring compliance with this policy across its operations.
- All employees have the responsibility to report any allegations or incidents of fraud, corruption and money laundering immediately.
- The availability of a 24-hour "Tip-offs Anonymous Hotline", managed by an independent party (Deloitte), is widely promoted throughout the Group. Management is unaware of any instances of fraud or corruption in the past 12 months.

Grand Views

Human rights are upheld JSE S2.1

Any grievances will be addressed and resolved through formal grievance mechanisms. No grievances relating to human rights abuses have been reported.

Policies, guidelines and fairness

The Group's policies ensure community participation, protect rights and comply with legal and regulatory requirements.

- Labour policies address employees' basic human rights, fair pay, freedom of association and non-discrimination, as well as health and safety to protect workers.
- Policies specify employment of site-specific labour, and investment of time and resources in the development of skilled labour and professionals.
- Enforcement and regular review of Group quality standards ensure the delivery of quality projects.
- Within the communities we work, we actively seek to partner with government, big and small business and other industry partners in initiatives which target current social problems and their root causes, such as crime, unemployment, inequality, HIV/AIDS, poverty, skills shortages and corruption.
- We do not partake in lobbying or anti-competitive activities.
- We build and maintain solid relationships with trade unions and other representative bodies and encourage regular two-way communication and engagement.
- Security on all our sites is sub-contracted to reputable firms that support the policies of the Group, including relevant aspects of human rights.
- Environmental management and occupational health and safety plans are approved for every project. Compliance with these plans are monitored on an annual basis by an independent consultant to ensure that any risks arising from activities on-site are identified and mitigated. Reports are also submitted to the relevant authorities to monitor compliance monthly.

Our investments in areas of CSR comply with Company guidelines (see our CSR initiatives on pages 24 to 25).

Mechanisms drive engagement with stakeholders (this is discussed on pages 6 to 10).

Protection of rights

The Group views all forms of discrimination in an extremely serious light and will not hesitate to take appropriate disciplinary action against offenders. No incidents of discrimination were reported for the period under review.

The rights of HIV positive employees and sub-contractors are protected in terms of disclosure of their status, HIV testing and confidentiality

The Group prohibits child and forced and/or compulsory labour practices and eliminates any form of discrimination in respect of employment JSE S5.4

Freedom of association and the right to collective bargaining is upheld JSE S1.4

The Group respects national culture and local laws and traditions JSE S5.4

Sustainability – UN Global Compact Principles

The Group is a signatory to the UN Global Compact Principles, embracing core values in human rights, labour standards, the environment and anti-corruption. The CEO, Directors, as well as subsidiary Directors and management team embrace and are committed to the 10 UN Global Compact Principles.

Human rights	**Principle 1:**	Businesses should support and respect the protection of internationally proclaimed human rights.
	Principle 2:	Make sure that they are not complicit in human rights abuses.
Labour	**Principle 3:**	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
	Principle 4:	The elimination of all forms of forced and compulsory labour.
	Principle 5:	The effective abolition of child labour.
	Principle 6:	The elimination of discrimination in respect of employment and occupation.
Environment	**Principle 7:**	Businesses should support a precautionary approach to environmental challenges.
	Principle 8:	Undertake initiatives to promote greater environmental responsibility.
	Principle 9:	Encourage the development and diffusion of environmentally friendly technologies.
Anti-corruption	**Principle 10:**	Businesses should work against corruption in all its forms, including extortion and bribery.

Source of information: https://unglobalcompact.org/what-is-gc/mission/principles

The Group's sustainability information details Calgro M3's overall strategy and approach for themes such as transformation and B-BBEE, employment equity, skills transfer, training and development, succession planning, occupational health and safety, environmental matters, policies regarding HIV and AIDS and human rights issues, is contained earlier in this report.

Legal matters and litigation

To the best of the Board's knowledge there are no material pending or threatening legal action that may affect the Group's financial and non-financial position.

Access to information

Policies and procedures ensure the Board has access to the relevant information and engagement with senior management. Directors are expected to treat all Group information as strictly confidential and to comply with the provisions of the statutes applicable to the use of Group information.

The Group fully complies with the Protection of Personal Information Act ("POPIA") and has updated relevant policies and formulated new ones to ensure transparency in how it deals with personal information. The IT Steering Committee supports this and champions from each business within the Group, as well as engaging with internal stakeholders to assess current levels of compliance and to ensure ongoing compliance.

Grand Views

Technology and information governance

Technology and Information at Calgro M3 is a strategic tool that facilitates successfully implementing the Group's strategy and sustainable business performance.

The Information Technology ("IT") charter is based on the principles of Technology and Information governance as described in King IV™ and guides the Board in discharging its IT responsibilities.

The Board is responsible for Technology and Information governance and is ultimately responsible for ensuring information and IT strategies are aligned with business strategies.

The Audit and Risk Committee assists the Board in carrying out these responsibilities. An IT governance framework and reporting system assure the Board that the IT strategy, procedures and controls within the business reduce IT risk, including information security, to an acceptable level.

IT at Calgro M3 ensures that the intellectual property contained within information systems is protected. The risks associated with business continuity and security, as raised by the Audit and Risk Committee, were mitigated through the successful design and implementation of a disaster recovery plan and the successful passing of a penetration test conducted by an independent expert.

Continued measures were enforced to ensure that all personal information is categorised, stored, secured and monitored as a business asset. Reviews were conducted around all user access control policies, security policies and data storage policies. Internal reviews of the existing user access rights, firewalls and security rule sets were conducted.

The Board is satisfied that, based on reports received from this Committee, an appropriate IT governance framework exists and is effectively monitored and functioning.

Key data points – Governance

GOVERNANCE	Units of measure	JSE sustainability disclosure guidance	2026	2025
Board members	number	G1.3	**10**	10
Non-Executive Board members	number	G1.3	**7**	6
Percentage of Non-Executive Board members	%	G1.3	**70**	60
Executive Board members	number	G1.3	**3**	4
Prescribed officers (note: persons who are not already counted as “executives”)	number	G1.3	**0**	0
Independent Board members	number	G1.3	**6**	6
Percentage of independent Board members	%	G1.3	**60**	60
HDSA[1] Board members	number	G1.3	**8**	6
Percentage of HDSA Board members	%	G1.3	**80**	60
Female Board members	number	G1.3	**2**	1
Percentage of female Board members	%	G1.3	**20**	10
Average length of Executive Director service	years	G1.1	**2.6**	3.7
Average length of Non-Executive Director service	years	G1.3	**8.8**	10.3
Average length of full Board service	years	G1.3	**7.0**	9.3
Average age of Directors	years	G1.1	**53**	54
Overall Board and Committee meeting attendance	%	–	**97**	95
Auditor remuneration: percentage of non-audit fees	%	–	**1.33**	0.65
Length of current auditor’s service	years	–	**4**	3
Independence of Board Chairman	Y/N	G1.3	**Y**	Y
Publicly available policy on Board conflicts of interest	Y/N	G1.2	**Y**	Y
Publicly available climate-related financial disclosures, as per TCFD[2]	Y/N	–	**N**	N
Publicly available Human Rights policy	Y/N	–	**N**	N
Shareholders’ vote (non-binding) on executive remuneration	Y/N/P	–	**N**	Y
Number of whistle-blower incidents leading to disciplinary hearing	number	–	**0**	0

1. *HDSA – historically disadvantaged South Africans.*
2. *TCFD – Task Force on climate-related Financial Disclosures.*

07

King IV™ Application Register

Good corporate governance provides the framework within which we strive to deliver superior performance for the benefit of all our stakeholders. The Board of Directors of Calgro M3 Holdings Limited ("the Board") believes that achieving the highest standards of corporate governance is key to realising the Group's strategy and vision, and to creating and sustaining value for the Group's stakeholders.

Transparency, accountability and integrity in reporting and disclosing operational and financial information are internationally recognised as vital to good corporate governance. Achieving this objective demonstrates Calgro M3's public accountability and its commitment to conduct its business within ethical standards and outcomes-based strategic objectives.

King IV™ Application Register

The Board is pleased to present the King IV™ Application Register for the year ended 28 February 2026.

Principle 1

The governing body should lead ethically and effectively.

Directors adhere to a high standard of ethical conduct and act in accordance with the Code of Ethics and Conduct Policy and King IV™, as adopted by the Board, and as amended from time to time.

Directors have a reputation for integrity, honesty, and service of adherence to high ethical standards. In addition to fulfilling their statutory and fiduciary duties, Directors are expected to display the characteristics of integrity, competence, responsibility, accountability, fairness and transparency. The Board embodies these ethical characteristics in order to offer effective leadership that results in achieving strategic objectives and positive outcomes. Directors regularly attend and participate in meetings and are afforded the opportunity to engage meaningfully in Board deliberations.

Comprehensive registers of individual Directors' interests in and outside the Company are maintained, updated and noted by the Board at each Board meeting. Where there are conflicts of interest, these are minuted and the affected Directors are recused from the relevant discussion and/or decisions.

Directors have a sound understanding of the business and the required working knowledge of the markets in which the Group operates. They sufficiently familiarise themselves with the general content of applicable laws, rules, codes and standards that govern the activities of the Group in order to be able to discharge their duties. Detailed operational and financial information is provided to Non-Executive members to ensure they are familiar with all items that affect the organisation.

The Board and its committees are assessed every two years by the respective Director participants and the results of the assessments are discussed at Board level.

The Group has a 24-hour anonymous whistleblowing hotline that enables anyone to report any fraudulent, corrupt or unethical behaviour.

Principle 2

The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.

The Board has ensured that codes of conduct and ethics-related policies, through which ethical standards are clearly articulated, have been established and implemented. An external whistleblowing hotline has been established, on which unethical behaviour can be reported anonymously. The hotline information is displayed in numerous locations within the organisation and awareness campaigns are regularly done for all parties that interact with the Group. The results of the whistleblowing reports are presented at the Audit and Risk Committee and feedback is given to the Board by the chairman of the Committee.

The Board, through the Social and Ethics Committee, ensures that the Group's ethics performance is assessed, monitored, reported and disclosed. The Committee provides regular reports to the Board in this regard.

Management ensures that the Values, Vision and Mission of the Group as well as the Code of Conduct are displayed throughout the organisation as well as communicated to employees to ensure awareness. The reputation of the Group is built on five values which, along with their value statements, have been embedded into the Group:

Calgro M3 received requests from a shareholder to provide the shareholders' register in terms of the Promotion of Access to Information Act, 2000 (Act 2 of 2000) and the information was provided.

Principle 3

The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.

The Board considers not only financial performance but also the impact of the Group's operations on society and the environment. Measurable corporate citizenship programmes and policies have been developed and implemented. The Board protects, enhances and invests in the well-being of the economy, society and the environment.

The Board has mandated the Social and Ethics Committee to monitor and report on responsible corporate citizenship. The Committee's mandate includes oversight of safety, developing and retaining a skilled and diverse workforce, and ensuring the implementation of the Company's transformation and environmental sustainability strategies. Matters identified by the Committee are referred to the Board and dealt with at Board level.

The Social and Ethics Committee deliberates on the recommendations by the UN Global Compact on how companies can navigate sustainability challenges. The Group is fully compliant with the UN Global Compact Principles and it is at the Global Compact advanced level, being the highest compliant level. The Group adheres to seven United Nations SDGs, which it deems central to the Group's strategy. It has identified a further five that are supplementary to the strategy.

The Health, Safety and Environmental report is compiled and referred to the Social and Ethics Committee for deliberation on a quarterly basis and reported on at Board level.

The Group has established a Health, Safety and Environmental management team to enhance the Group's compliance with international standards. The Group has successfully completed the external audit process of its internally developed HSE Management System and has achieved ongoing certification for ISO 45001:2018 and 14001:2015.

Principle 4

The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.

The Board is the highest decision-making body in the Group. The Board informs and approves strategy on an annual basis, as opposed to being a passive recipient of strategy as proposed by management. The strategy is aligned with the purpose of the Group, the value drivers of its business and the legitimate interests and expectations of the stakeholders. The Board approves the Strategic Plan after careful consideration of the Group's financial position and liquidity requirements, alternative sources of capital reasonably available to the Group, and other relevant factors. The approved Strategic Plan highlights the strategic objectives, short, medium and long-term strategies of the Group and the individual businesses within the Group.

Strategy is translated into key performance and risk areas (including finance, ethics, compliance and sustainability); and the associated performance and risk measures are identified and clear. Operational updates are presented at all Board meetings for deliberation.

Through the Risk Management Policy and Plan, material strategic business and sustainability risks are identified and outlined in the risk register and mitigating controls are implemented to manage the identified risks to a tolerable level in line with the Risk Management Policy and Plan.

The Audit and Risk Committee reviews a documented assessment, performed by management, of the going concern premise of the Group.

Principle 5

The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects.

With the assistance of the Board Committees, the Board is responsible for the reporting of the Integrated Annual Report, the approved Annual Financial Statements and all other statutory reporting on key matters affecting the Group and its stakeholders. All reports that are included in the Integrated Annual Report are referred to the Board for review, and approval thereof is subject to all changes effected to the reports by the Board.

The Integrated Annual Report and Annual Financial Statements are prepared in consultation with the Group's internal and external auditors and advisers to ensure that they comply with the relevant legislation and regulations and to ensure that shareholders and other stakeholders alike are able to ascertain whether the affairs of the Group are managed competently.

With the assistance of the Audit and Risk Committee, the Board ensures that the Integrated Annual Report, ESG Report and Annual Financial Statements of the Group enable stakeholders to make informed assessments of the Group's performance and its short, medium and long-term objectives. The Group has controls in place to enable it to verify and safeguard the integrity of its Integrated Annual Report and other disclosures. The Annual General Meeting provides an important platform for engagement with shareholders and offers them the opportunity to participate in discussions relating to the Group.

The corporate governance disclosure, a yearly Integrated Annual Report, Annual Financial Statements and related external reports are published on the Group's website. Current and archived Integrated Annual Reports can be accessed on the Group's website.

Principle 6

The governing body should serve as the focal point and custodian of corporate governance in the organisation.

The Board serves as the focal point and custodian of corporate governance in the Group by managing its relationship with management, the shareholders and other stakeholders. A clear division of responsibilities between the Directors is maintained to ensure that no single Director has unfettered decision-making powers.

The scope of authority, responsibilities, composition and functions of the Board are contained in a formal Charter which is reviewed on an annual basis. As detailed in its Charter, the Board's objective is to provide responsible business leadership to the Group, acting ethically, with leadership and integrity in the execution of its duties with due regard to the interest of all stakeholders.

A Board Work Plan has been developed and implemented to ensure that the Board attends to all its responsibilities that have not been delegated to Board Committees. Board meeting agendas are prepared in line with the Board Work Plan which has been strategically structured to ensure that the Board monitors the progress of the implementation and execution of tasks delegated to management and Board Committees.

Feedback in respect of the delegated tasks is provided at the next meeting and recorded in the minutes of that meeting. Board Committees are entitled to obtain independent professional advice at the cost of the Group on any issue within the ambit of their scope and subject to following a Board approval process.

The Board is satisfied that it has fulfilled its responsibilities in accordance with its Charter for the year ended 28 February 2026.

For the requisite information and disclosure about the number of Board and Committee meetings and attendance during the reporting period, please refer to the ESG and Integrated Annual Report.

Principle 7

The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.

Board composition

The Board operates as a unitary Board comprising Executive and Non-Executive Directors. It comprises a majority of Non-Executive Directors, of whom the majority are independent. At least one-third of Non-Executive Directors rotate every year.

The Chairperson of the Board is an Independent Non-Executive Director. The Board has a Lead Independent Director who is an Independent Non-Executive Director and whose functions include serving as a sounding board for the Board Chairperson, strengthening the independence of the Board and offering support and guidance to the Directors. The Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and the Managing Director of Calgro M3 Developments are members of the Board. The Board composition is reviewed annually to ensure compliance with relevant legislation, regulations, and policies.

When determining the number of Directors to serve on the Board, the knowledge, skills and resources required as appropriate to the business of the Group is considered. The Nomination Committee ensures that candidates being considered to serve on the Board also qualify to serve on Board Committees. All appointments to the Board are recommended by the Nomination Committee. The Board decides on any appointment to the Board, subject to shareholder approval. The Board, with the assistance of the Nomination Committee, ensures that candidates for election are not prohibited from being appointed as Directors in terms of section 69 of the Companies Act.

Procedures for appointments to the Board are formal and transparent and are a matter for the Board as a whole, assisted by the Nomination Committee. The Company has adopted and implemented a policy that sets out the approach to achieve broader diversity at Board level, specifically focusing on the promotion of the diversity attributes of gender, race, culture, age, field of knowledge, skills and experience. The targets set out in the policy are in line with national demographics and aim to achieve a balance of representation at Board level. Any new appointments are considered against these targets. The Board is satisfied that its composition reflects the appropriate mix of knowledge, skills, experience, diversity and independence.

Currently, there is no formal mentorship policy in place. If any required training or guidance is identified, the specific Director is sent for specific training to address the need. The Board ensures that Directors receive regular briefings on changes in risks, laws and the business environment.

Independence and conflicts

Board members are required to complete and sign declaration of interests forms annually as well as in respect of all matters on the Board agenda at every Board meeting, and to disclose conflicts of interest as soon as they become aware of such conflict or potential conflict. Directors recuse themselves from discussions and decisions on matters in which they have a conflict of interest. Directors confirm their financial, economic and related-party interests on an annual basis, and they are required to notify the Company Secretary of any significant changes.

With the assistance of the Nomination Committee, Independent Non-Executive Directors serving for longer than nine years are subjected to a rigorous review of their independence and performance by the Board. The Board makes full disclosure regarding individual Directors to enable shareholders to make their own assessment of Directors. The classification of Directors as independent or otherwise is disclosed on the basis of the yearly assessment of the independence of the Independent Non-Executive Directors. There is reporting on the procedure and outcome of the assessment of the suitability of Independent Non-Executive Directors to continue on the Board as such, for a period longer than nine years.

Chairperson of the Board

A formal role description for the Chairperson of the Board is outlined in the Board Charter. Taking into consideration the number of outside professional positions that the Chairperson of the Board holds and the size and complexity of the business operations of the Group, the Board is satisfied that its Chairperson is able to perform his duties effectively.

The role of the Chairperson is separate from that of the CEO. The Chairperson is overall responsible for the functioning of the Board and ensuring the integrity and effectiveness of the Board and its Committees.

The Chairperson of the Board is not eligible for appointment as Chairperson of the Remuneration Committee and is only a member. He remains Chairperson of the Nomination Committee with oversight responsibilities on nomination matters and Board/Director interactions.

Principle 8

The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.

The Board Charter allows for the delegation of some of its responsibilities to Committees formed by it to assist in the execution of its duties, power and authorities. The delegation of authority to Committees does not mitigate or discharge the Board and Directors from their duties and responsibilities. The Board ensures that it fulfils those responsibilities that have not been delegated to a specific Committee.

The Board has established the following Committees:

- Audit and Risk Committee
- Social and Ethics Committee
- Remuneration and Nomination Committee
- Investment Committee

Each Committee has a minimum of three members as recommended by King IV™ and the composition of the Committees is also aligned with the King IV™ recommendations.

The terms of reference of all Board Committees have been adopted by the Board and are reviewed annually. Each Committee's terms of reference deal with the composition, objectives, purpose, activities and delegated authorities. This includes the extent of power to make decisions; tenure; and reporting mechanism to the Board.

The Board has authorised all its Committees to investigate any activity within its terms of reference and to seek any information it requires from any employee of the Group. All employees are required to cooperate with any request made by the Committee. The request is channelled through the CEO.

Collectively, members of each Committee have adequate and appropriate knowledge, skills, experience, and capacity to execute their duties. The Board evaluation process permits Directors to evaluate the performance and effectiveness of each Committee.

In instances where more than one Committee has jurisdiction to deal with a similar matter, the specific role and positioning of each Committee in relation to such matter is defined in the terms of reference of the Committee to ensure complementary rather than competing approaches. The Board is satisfied that the current composition of the Committees contributes to effective collaboration as well as a balanced distribution of power so that no individual can dominate decision-making and no undue reliance is placed on any individual.

Other significant matters are addressed in the Committee's report contained in the Annual Financial Statements.

Principle 9

The governing body should ensure that the evaluation of its own performance and that of its Committees, its chair and its individual members, support continued improvement in its performance and effectiveness.

The Board conducts internal formal performance assessments of the Chairperson, the Board as a whole, and Board Committees, including Committee members, in order to evaluate their effectiveness and performance. The assessments are conducted through self-evaluation forms in the form of a questionnaire to be completed.

The assessments are conducted every two years in line with the King IV™ recommendations. Following the assessment, recommendations are reviewed and incorporated into the annual work plans of the Board and its Committees.

The Board is satisfied that the assessment process is effective in assessing and improving the performance and effectiveness of the Board and its Committees.

Principle 10

The governing body should ensure that the appointment of, and delegation to, management contributes to role clarity and the effective exercise of authority and responsibilities.

CEO

The Board has appointed a new CEO during the reporting period following the resignation of the CEO. The CEO's role and functions are set out in the Board Charter. There is a benchmark, i.e. performance measures, in place to evaluate the performance of the CEO. The evaluation is conducted on an annual basis.

The CEO has no obligations outside the Group. The Board is of the view that the CEO devotes the necessary time and effort to enhancing the Group's performance. According to the provisions of his employment contract, the CEO's notice period is three months. There aren't any other circumstances surrounding the CEO's termination of employment that are not standard employment conditions in the Group.

There is a delegation of authority policy which sets out matters which are strictly reserved for Board and management approvals and prescribe authority thresholds for different Board Committees. The delegation of authority policy is reviewed annually by the Audit and Risk Committee and the Board. The Board has delegated authority to the CEO to manage the Group's day-to-day affairs. There is succession planning in place for the CEO who is assisted in his responsibilities by an Exco.

The Board is satisfied that the delegation of authority policy contributes to role clarity, and the effective exercise of authority and responsibilities is disclosed in the Integrated Annual Report.

Company Secretary

The Board has appointed a Company Secretary on an outsourced basis. Juba Statutory Services (Pty) Ltd represented by Sirkien van Schalkwyk was appointed as Company Secretary with effect from 1 September 2022. The Board is satisfied that the Company Secretary has the requisite knowledge, experience and qualifications to carry out the role in an efficient manner.

The performance of the Company Secretary will be assessed on an annual basis as part of the Board assessment process and complies with JSE Listings Requirements.

Principle 11

The governing body should govern risk in a way that supports the organisation in setting and achieving strategic objectives.

The Board's responsibility for risk governance is expressed in the Board Charter and the Risk Management Policy and Plan. The Board is assisted by the Audit and Risk Committee in order to govern risk in a way that supports the Group in achieving its strategic objectives. Independent Non-Executive Directors also serve on the Audit and Risk Committee ensuring there is coordination in respect of the evaluation and reporting of risks.

A risk register approved by the Board sets out the various risks that should be considered as part of the risk identification process. These potential risks are reviewed and updated on a quarterly basis to ensure all relevant industry issues are considered.

The Board has adopted a Risk Management Policy and Plan that sets out acceptable risk limits that the Group has the capacity to tolerate. Upper and lower tolerances have been set for each of the identified risk tolerance areas and they are monitored on a quarterly basis.

As an approach to increase the probability of anticipating unpredictable risks, the Group monitors developments associated with risks on a regular basis. As a means of strengthening its business continuity capabilities, the Group has developed a Crisis Management Plan.

The Board is kept up to date on progress on the Risk Management Policy and Plan. Consideration is given periodically for the need to receive periodic independent assurance on the effectiveness of risk management. An overview of the risk management process is highlighted in the risks and mitigation strategies report in the Integrated Annual Report.

Principle 12

The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.

The Board assumes the responsibility for the governance of IT and recognises the importance of same as it is inter-related to the strategy, performance and sustainability of the Group. The Audit and Risk Committee assists the Board with the governance of IT. The IT Report by the Chief Information Officer ("CIO") is compiled and referred to the Audit and Risk Committee for deliberation on a quarterly basis and reported on at Board level.

The Board ensures all personal information is treated by the Group as an important business asset and is in compliance with the Protection of Personal Information Act. The security of information within the Group is monitored on a regular basis by internal and outsourced external experts.

External service providers are contracted to do penetration and security tests on the entire IT environment and to ensure controls are functioning optimally on a bi-annual basis. Internal assessments are performed by management every other year to ensure that IT controls are functioning effectively.

The Company launched a new cyber security awareness training platform designed to reduce and guard against security breaches caused by human error in the workplace. The training covers topics such as phishing, passwords, data protection, information protection and office hygiene. Training is compulsory and allows the IT department to determine which individual or departments need to be closely monitored for security risks. During the year under review, no security breaches or losses of customer data occurred.

Principle 13

The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.

The Board has implemented appropriate structures, policies, processes and procedures to monitor compliance and remain appraised of any new legislation, non-binding rules and codes applicable to the Group. It is assisted by the Board Committees in monitoring compliance.

The Board receives assurance on the effectiveness of the controls around compliance with laws, rules, codes, and standards from procedures performed by the internal auditors.

Principle 14

The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.

The Remuneration and Nomination Committee ensures that the Group's Remuneration Policy is aligned with its strategy and it also reviews and approves the remuneration of Executive Directors and Senior Management.

The Remuneration Policy and Implementation Report are set out in the Integrated Annual Report. A non-binding advisory vote on the Remuneration Policy and Implementation Report are tabled at the Annual General Meeting and has been duly approved by shareholders in prior years.

Executive and prescribed officer remuneration comprise a combination of guaranteed remuneration (total cost to Company) and variable remuneration (short-term incentives and long-term incentives). The weighting depends on the level of seniority in the organisation. Annual reviews of guaranteed remuneration are benchmarked against remuneration surveys and comparisons of remuneration for similar executive jobs within the sector and industry.

The Directors, Executives and employees are remunerated fairly and responsibly in line with the Remuneration Policy. The Board is satisfied that the Remuneration Policy achieves its objectives.

Two Share Incentive Schemes are in place, the one catering for Executives and prescribed officers and the second one for key senior management employees. The purpose of these schemes are to retain, attract and reward Executives, prescribed officers and key senior management employees by providing them with Calgro M3 shares or a cash incentive scheme based on the improved hurdle rate values of Calgro M3 shares. The schemes provide employees with an incentive to advance and grow the Group over the long term and closely align the interests of shareholders and employees.

Principle 15

The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.

The Board has delegated the Audit and Risk Committee with the responsibility of overseeing the effectiveness of assurance arrangements within the Group. The Committee ensures that internal controls are effective and adequately reported on for auditing and regulatory purposes. Internal controls have been established not only over financial matters, but also operational, compliance and sustainability issues.

The assurance arrangements in place support the Audit and Risk Committee and the Board in making endorsement on the effectiveness of internal controls in the Integrated Annual Report and to support the integrity of information used for internal decision-making within the Group.

The Committee's oversight over the arrangements for assurance services and functions contribute to ensuring that an effective control environment is enabled, supporting the integrity of external reports issued.

Assurances are currently obtained from audits performed by the internal and external auditors together with tests performed by management on a regular basis.

The Board assumes responsibility for the integrity of external reports provided by the Group and sets out the direction on how assurance in this regard should be approached and addressed.

Principle 16

In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.

The Board recognises its responsibility for the governance of stakeholder relations within the Group. Transparent communication and engagement with stakeholders are vital to ensure that the principles of stakeholder management are adopted in line with King IV™. The Board believes in the principle that all shareholders should receive equal consideration regardless of the size of their shareholdings.

The Board has adopted the Stakeholder Communication Policy which sets out the approach to stakeholder engagement across the Group. The Executive Management has been mandated to ensure effective stakeholder engagement and management and is assisted herein by an external stakeholder communications company.

Stakeholders which could materially affect the operations of the Group are identified, assessed and dealt with as part of the risk management process.

The Board regularly communicates its strategy, performance, and vision to shareholders through presentations delivered during financial results road shows and the Stock Exchange News Service. Management regularly meets with investors and shareholders in one-on-one meetings. The Annual General Meeting provides an important platform for engagement with shareholders and offers them the opportunity to participate in discussions relating to the Group.

King V™ Gap Analysis

King V™, the fifth iteration of South Africa's corporate governance reports, was released on 31 October 2025 by the King Committee of South Africa and the Institute of Directors in South Africa. It supersedes King IV™ and is effective for financial years beginning on or after 1 January 2026, with early adoption encouraged. King V™ reduces King IV™'s 17 principles to 13 consolidated principles, removing redundancy whilst maintaining comprehensive coverage. King V™ strengthens the "apply and explain" philosophy by requiring organisations to demonstrate not just that they apply governance principles but **explain their specific application methodology and rationale**. The new Disclosure Framework provides standardised reporting templates that ensure consistency whilst allowing flexibility for context-specific governance approaches.

Recognising the transformative impact of artificial intelligence ("AI") and digital technologies, King V™ introduces specific guidance on AI governance, algorithmic transparency, and digital risk management. Boards must now demonstrate understanding of AI ethics, data governance, and the societal impact of algorithmic decision-making. Environmental, social, and governance ("ESG") factors move from peripheral consideration to core governance responsibility under King V™. King V™ incorporates explicit guidance on Business and Human Rights ("BHR"), requiring organisations to identify, prevent, and address human rights impacts across their operations and supply chains.

In the new financial year, Calgro M3 intends to report in line with King V™ principles, and the table below illustrates the additional enhancements or disclosures to be made with the change from King IV™ to King V™.

		Identification of any potential enhancements
Leadership	**Principle 1:** The governing body leads ethically and effectively as the focal point of corporate governance in the organisation.	▸ Key activities for the reporting period and planned areas for future focus to be listed in the Integrated Report. ▸ The outcome of evaluations of the performance of the governing body (including its committees, its chairperson and individual members), including an account of the high-level findings along with the key measures to address these, to be repeated for King disclosure.
Ethics	**Principle 2:** The governing body governs the ethics of the organisation in a way that enables an ethical culture and responsible corporate citizenship.	Statements to be made regarding: ▸ Whether the governing body is satisfied with the effectiveness of the organisation's management of ethics in creating an ethical culture. ▸ Whether the governing body is satisfied that arrangements for the prevention and detection of fraud, corruption and money laundering are effective and that significant incidents have been appropriately responded to, to manage consequences and prevent future occurrences with specific reference to anti-money laundering. ▸ Whether the governing body is satisfied that the organisation's purpose, values as well as the impacts and outcomes of its activities and outputs are congruent with responsible corporate citizenship.
Strategy, performance and sustainable value creation	**Principle 3:** The governing body ensures that the organisation's purpose, strategy and business model support performance that creates sustainable value within the organisation's economic, social and environmental context.	None noted.

		Identification of any potential enhancements
Reporting	**Principle 4:** The governing body ensures that external reports issued by the organisation enable stakeholders to make informed assessments of how the organisation creates, preserves and erodes value within its economic, social and environmental context over the short, medium and long term.	None noted.
Composition of the governing body	**Principle 5:** The governing body ensures that its composition is balanced with respect to the mix of competencies, diversity and independence that enables it to discharge its obligations objectively and effectively.	▸ The reasons why any members of the governing body have resigned, retired or been removed is to be disclosed. ▸ Key areas of focus during the reporting period and planned areas for future focus is to be disclosed in the Integrated Annual Report.
Committees of the governing body	**Principle 6:** The governing body ensures that arrangements for delegation to committees and individuals within its own structures promote the objective and effective discharge of its obligations.	Statement to be made regarding: ▸ Whether each committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.
Appointment and delegation to management	**Principle 7:** The governing body ensures that the appointment and delegation to management promote operational effectiveness and that the respective roles and decision-making powers of the governing body and management are clearly defined.	Statement to be made regarding: ▸ The notice period stipulated in the CEO's employment contract and the contractual conditions related to termination. ▸ Whether the governing body is satisfied that the succession planning in place for the CEO position adequately safeguards leadership continuity and the stability of the organisation. ▸ Whether the governing body is satisfied with its arrangements for access to professional and independent guidance on its legal and corporate governance duties, as well as support for its effective functioning.
Risk	**Principle 8:** The governing body governs risk in a way that enables the organisation to sustain and optimise strategy and objectives.	Statements to be made in respect of: ▸ Confirming that the governing body is satisfied that the risk function, the organisation's risk management system and overall internal control framework are effective and that significant weaknesses in internal controls have been effectively addressed.
Compliance	**Principle 9:** The governing body governs compliance with applicable laws and adopted policies, non-binding rules, codes and standards in a way that promotes ethics and responsible corporate citizenship.	Statements to be made in respect of: ▸ Confirmation that the governing body is satisfied that the organisation-wide system of compliance is effective and that significant regulatory penalties, sanctions or fines for contraventions of, or non-compliance with, statutory obligations – whether against the organisation, the governing body or prescribed officers – have been appropriately responded to, to manage consequences and prevent future occurrences.

		Identification of any potential enhancements
Data, information and technology	**Principle 10:** The governing body governs data, information and technology in a way that enables the organisation to sustain and optimise its strategy and objectives.	Statements to be made in respect of: ▸ Whether the governing body is satisfied that the management and control (including acquisition, creation, use, dissemination and disposal) of data and information are effective, compliant and ethical. ▸ Whether the governing body is satisfied that the arrangements for the prevention and detection of information privacy breaches are effective, and that significant incidents have been appropriately responded to, to manage consequences and prevent future occurrences. ▸ Whether the governing body is satisfied that the acquisition, development, use and distribution of technology in and by the organisation are effective, compliant and ethical. ▸ Whether the governing body is satisfied that the arrangements for the prevention and detection of cyber-attacks are effective, and that significant incidents have been appropriately responded to, to manage the consequences and prevent future occurrences. ▸ Whether the governing body is satisfied that the ethical, legal and operational risks associated with the use of emerging, innovative and disruptive technologies are effectively managed and addressed. ▸ Governing body is satisfied that the accountability for decisions, actions, outputs and outcomes is clearly established within AI – including that automated technologies are subject to human oversight and override mechanisms that are commensurate with their level of risk to the organisation and its stakeholders.
Remuneration	**Principle 11:** The governing body ensures that the organisation remunerates fairly, responsibly and transparently to promote sustainable value creation by the organisation within its economic, social and environmental context.	Statements to be made in respect of: ▸ Key remuneration decisions currently except for mentioning incentives scheme. ▸ The fairness of executive management remuneration in relation to overall employee remuneration. ▸ Consideration of social and environmental context. ▸ Governing body has applied discretion and the impact thereof on pay outcomes as well as factors considered when decisions were made. ▸ Obligations in executive employment contracts which could give rise to payments on termination of employment or office. ▸ The use of remuneration consultants or not, and their independence and objectivity. ▸ Non-binding advisory vote on the Remuneration Policy and Implementation Report tabled at the Annual General Meeting, but no mention is made of steps taken to address significant shareholder concerns.
Assurance	**Principle 12:** The governing body ensures that assurance functions and services promote an effective internal control environment and safeguard the integrity of external reports issued by the organisation.	Requirement for audit committee and applied in Principle 6.
Stakeholders	**Principle 13:** The governing body adopts a stakeholder-inclusive approach in the execution of its duties in the long-term best interests of the organisation within its economic, social and environmental context.	A statement should be made on: Whether the governing body is satisfied with the quality of its relationship with its stakeholders.

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