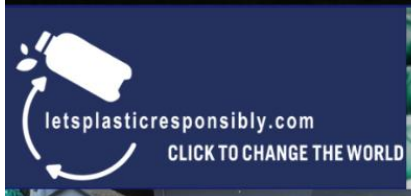

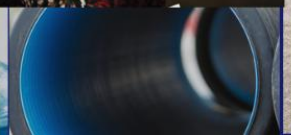

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SAFRIPOL

Shaping your world responsibly

SUSTAINABILITY REPORT 2024

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ABOUT THIS REPORT

Our 2024 Sustainability report provides a detailed overview of the Safripol (Pty) Ltd (Safripol) sustainability programme and the actions taken over the past year to transition towards a more sustainable business. We describe how we have incorporated sustainable practices within our business, how we have performed against our environmental targets and how we are positively impacting society. This is our stand-alone sustainability report, for the reporting period 1 July 2023 – 30 June 2024 (FY 2024). Stakeholders interested in financial or other non-financial disclosures not contained in this report, can refer to the KAP Limited (KAP) 2024 integrated report. Our sustainability data has limited external assurance, with our Scope 1 and Scope 2 emissions assured by Catalyst Solutions.

MESSAGE FROM OUR CEO

Dear Stakeholders,

The global landscape of sustainability is evolving at a rapid pace. What once was seen through a purely technical lens—focused on compliance, risk management and isolated technical solutions—has now shifted towards a more integrated, commercially driven approach. Over recent years, this shift has resulted in significant changes in global sustainability frameworks, particularly in how sustainability targets are set. Where the emphasis was once on ambitious but often unrealistic goals, there is now a stronger focus on setting achievable, measurable targets that reflect the true challenges and opportunities across industries, business operations and society at large. Sustainability is now firmly recognised as a driver of business innovation, industry competitiveness and long-term growth. Reflecting on our journey over the past year, I am incredibly proud of the progress we have made. I am excited to share some of our key achievements, which highlight Safripol's continued commitment to sustainability and the value it brings to our operations, communities and the environment.

Safripol's strategic commitment to sustainability

At Safripol, sustainability is a strategic objective for our business that has gained momentum over the past four years. Our three core sustainability pillars, i.e. i) **contributing to the circular economy**; ii) **reducing our environmental impact**; and iii) **creating positive social change**—have seen notable growth, supported by targeted investments, tangible progress and meaningful collaborations.

Expanding sustainability into consumer consciousness

Our "Let's Plastic Responsibly" (LPR) campaign is a prime example of how Safripol has evolved its approach to sustainability communication. What began as an educational initiative to help consumers understand the value of plastic has evolved into a broader message about responsible plastic use across the value chain, recycling and celebrating sustainable behaviours. This shift demystifies sustainability and fosters a more proactive and responsible consumer mindset. Our annual sustainability conference is also gaining impetus, serving as a powerful platform to bring plastic sustainability into the broader community, promoting dialogue and fostering collaboration.

Small wins for FY 2024

In FY 2024, we achieved a number of milestones that we are exceptionally proud of. These accomplishments reflect the tangible impact of our initiatives.

- **Plant upgrade:** We committed significant capital investment to complete the upgrade of our high-density polyethylene (HDPE) plant to incorporate the most effective technology available. We are proud that no major incidents were recorded in our occupational health and safety indicators, and that we realised significant improvements in energy efficiencies.
- **Renewable energy:** We successfully generated 12% of our energy needs from renewable solar power. We will continue to explore further renewable energy solutions, which will allow us to reduce our carbon-intensive energy source, cut greenhouse gas (GHG) emissions even further and ensure energy security for the business going into the future.
- **GHG reduction:** We exceeded our first GHG emission reduction target that we set for ourselves, removing 28 000 tonnes CO_2e from our facilities. From this, ~80% was due to beneficial operation of our critical capital projects which allowed us to reduce our energy consumption from the grid.
- **ASPIRE 15:** We expanded our sale volumes of recycled polyethylene terephthalate (rPET) to over 13 000 tonnes using post-consumer recyclate (PCR) as raw materials, keeping these out of the environment and giving it a second life to be used for bottle-to-bottle packaging.
- **Schools recycling programme:** Our schools recycling programme, in partnership with local communities, reached 100 schools, inspiring youth to become active citizens while further contributing to the reduction of plastic waste in the environment.
- **Job creation:** We created over 200 new jobs through the support of small businesses in the local economy.

Moving from strategy to culture

Looking ahead, our next goal is to integrate sustainability into our organisational culture**.** True transformation occurs when sustainability becomes more than just a strategy—it becomes a core value in every employee's mindset and day-to-day actions. This is where lasting change happens.

Thank you for your interest in our sustainability journey. We look forward to fostering meaningful collaborations in the year ahead.

"I am incredibly proud of the progress we have made. I am excited to share some of our key achievements, which highlight Safripol's continued commitment to sustainability and the value it brings to our operations, communities and the environment."

Nico Van Niekerk, Safripol, Chief Executive Officer

ABOUT US

Safripol is a division of KAP, a leading industrial group, which owns a diversified portfolio of businesses that operate in the following industries: wood-based decorative panels, polymers, end-to-end supply chain and operational services, automotive components, sleep products and road safety. Safripol, with its head office in Johannesburg, is a specialised polymer manufacturer and is the leading chemical business within KAP.

Our purpose is to responsibly shape the world we live in through our people, our products and our customers, to create value for our shareholders and develop a sustainable future for our company, country and environment.

As a leading polymer producer, and an important stakeholder in the South African plastics value chain, Safripol is committed to building not only a sustainable business, but a sustainable industry that benefits all key stakeholders. We are aligning our business and sustainability strategy such that sustainability matters are incorporated into our strategic priorities and are top of mind of our leadership. We have positioned the business as a thought leader in plastic sustainability and we are mobilising the value-chain to take collective action.

Safripol is the only producer of polyethylene terephthalate (PET) and HDPE in South Africa, and one of only two producers of polypropylene (PP) in the country.

PLAY Safripol digital campaign

- Our PET facility, which is in Durban, provides the market with PET polymer resin that is used primarily in beverage packaging due to its high intrinsic viscosity and clarity.

- Our polyolefins facility, located in Sasolburg, produces high-molecular weight bimodal HDPE and PP polymer grades.

- Our HDPE polymer grades are differentiated to have high toughness, stiffness and excellent environmental stress crack resistance, and it is used in small and large-part blow moulding, high-pressure pipes, monofilament for agriculture and shade netting, and telecommunication cables.

- Our PP product portfolio is differentiated to focus on copolymers with improved clarity and impact properties for use in applications such as buckets and pails; multipurpose bottles; and containers for food packaging, household goods, personal care and others.

SAFRIPOL'S SUSTAINABILITY STRATEGY

Our Sustainability Framework

Safripol's 2030 vision is to be recognised as a leading polymer business in South Africa and on the African continent. We are confident that by embracing sustainable business practices, we can drive long-term economic growth while creating meaningful value for our business, society, the environment, and our key stakeholders. With commitment and a concerted effort, we believe that positive change can be made. The focus over the past four years has been on building a foundation for sustainability within Safripol across the three focus areas i) circular economy, ii) environmental impact, and iii) positive societal impact.

1

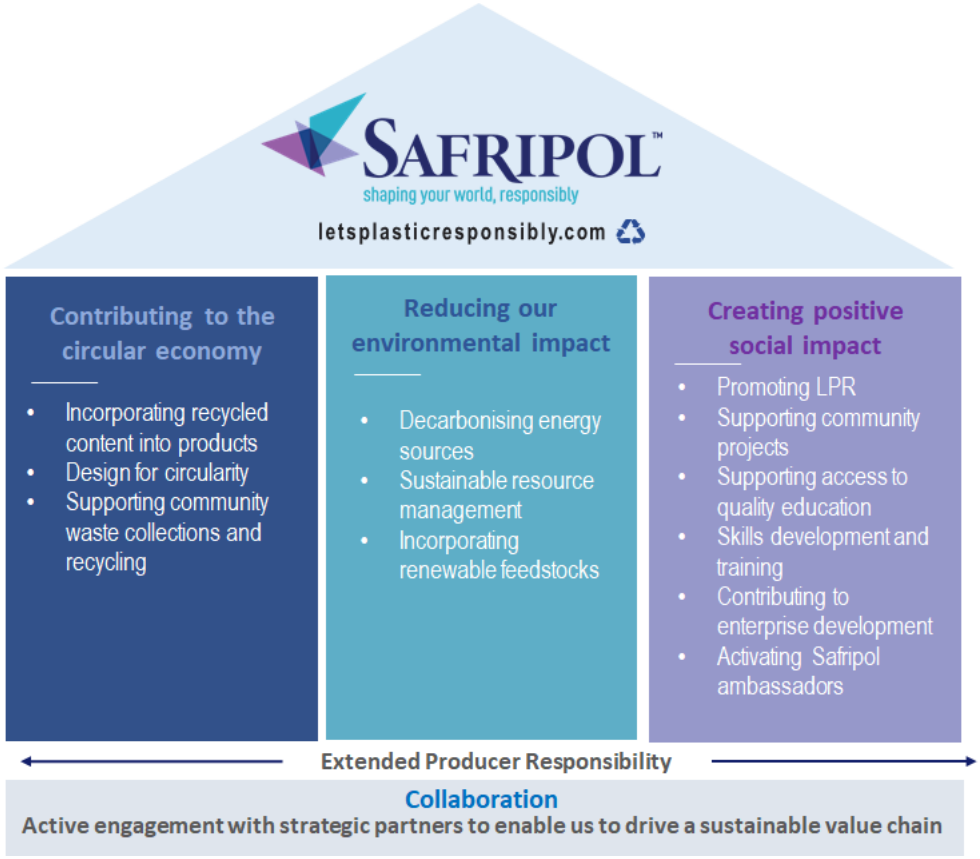
Our focus is on increasing the use of recycled content in our product portfolio and designing resins for recycling and reuse. We also create resins for lightweight applications that help reduce the downstream carbon footprint of our products. Additionally, we develop durable, long-lasting applications that optimise resource usage. Through partnerships with various organisations, we support waste collection and recycling at the community level by providing essential resources.

2

Our approach centres on minimising our environmental impact by prioritising low-carbon energy where possible. We focus on optimising our resource efficiencies, which directly translates to lowering our operational costs. Our goal is to reduce emissions within our direct operational control, specifically Scope 1 and Scope 2 GHG emissions, while also decreasing our reliance on potable water and minimising waste.

3

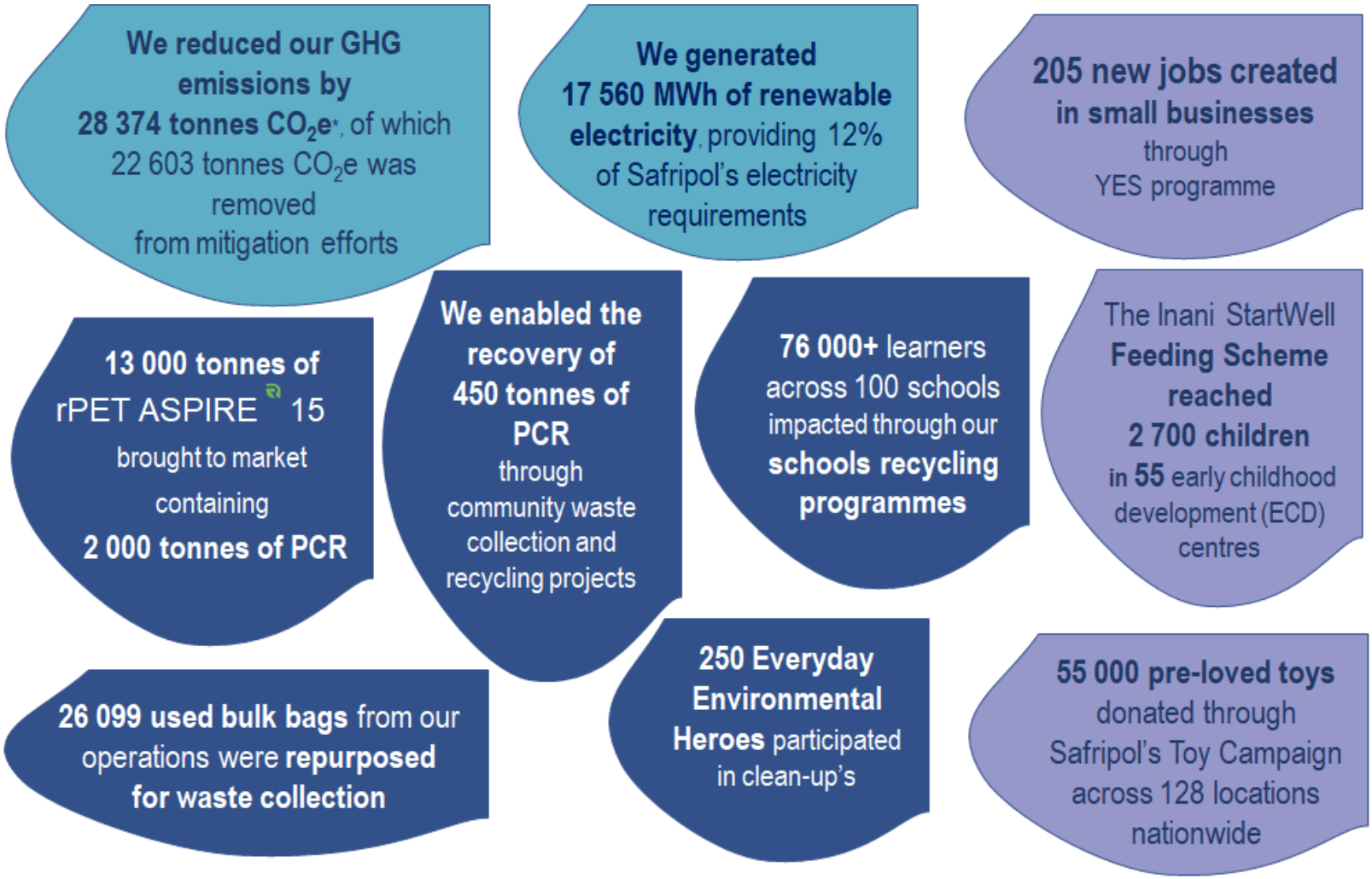
Our goal is to make a positive societal impact and create shared value for all stakeholders. Through targeted interventions, we work to strengthen our relationships with our fenceline communities. Our partnerships enable us to support young learners with access to quality education, skills development and job creation, while promoting plastic recycling and reuse in schools and communities. Safripol leads the LPR campaign, an education and awareness initiative designed to reshape public perceptions of plastics by encouraging responsible behaviour.



Collaboration remains the foundation of our sustainability strategy, as we know that system-level changes require commitment from role players in the plastics value chain. We continue to pursue strategic partnerships with like-minded stakeholders for the benefit of the industry.

The next phase in our sustainability journey remains critical. The focus will be to embed sustainability into the culture of the organisation, such that it becomes a core value and incorporated into the fabric of how we operate.

Our 2024 sustainability highlights



*Compared to our baseline year FY 2021

Alignment with the SDGs

Business plays a crucial role in achieving the 17 United Nations Sustainable Development Goals (SDGs). At Safripol, we are committed to supporting all of the SDGs through collaboration with a wide range of stakeholders. However, we have chosen to prioritise six SDGs — 8, 12, 13, 7, 9, and 17—that align most closely with our business and where we believe we can create the greatest impact through our actions.

Priority SDGs and how we contribute?

- Employment of 450 employees.
- Broad-Based Black Economic Empowerment (B-BBEE) Level 3 contributor, positively impacting economic inclusion of black South Africans.
- Empowered employees with access to training and development programmes.
- ISO 9001, 14001 and 45001 certified facilities.
- KAPREF Ethics Hotline for reporting and investigating unethical behaviour.
- Support small businesses including marginalised groups, and youth employment through the Youth Employment Service (YES).
- Youth training and skills development hosted either at our sites or by our partners.

- Responsible resource management and optimising resource efficiency.
- Product portfolio prioritises recyclability, durable and lightweighting applications that enable circularity of plastics.
- ASPIRE® resins containing PCR and other recycled polyolefin solutions being developed.
- Focus on decarbonising our energy sources and energy efficiency improvements, thereby reducing our GHG emissions.
- Implementing the most effective polymer production technology where possible to improve our efficiencies across key environmental indicators.
- On-site water reuse and recycling.
- Waste reduction and separation at source (S@S) programme at our sites.
- Promoting sustainable consumption and production of plastics through LPR.

- Partnerships with various customers and brand owners on circular polymer solutions.
- Founded LPR platform for partnership with the plastics value chain and implementing education campaigns at schools.
- Advancing plastics sustainability thought leadership through Safripol's annual Sustainability Conference.
- Participation in industry bodies and working closely with the Producer Responsibility Organisations (PROs) to advance plastics sustainability.
- Engagement with the South African Department of Forestry, Fisheries and the Environment (DFFE) and Department of Trade Industry and Competition (DTIC) on industry regulatory matters.
- Participating in the UNEA Plastics Treaty discussions.

Sustainability governance

Safripol applies sound corporate governance processes, structures and frameworks across its business to ensure we deliver sustainable value to our key stakeholders.

The KAP board, which oversees Safripol as one of its divisions, holds ultimate responsibility for sustainability across the organization, including at Safripol.

To ensure effective oversight, the board delegates the monitoring and management of sustainability matters to several committees: the Sustainability Committee, the Social and Ethics Committee, the Human Capital and Remuneration Committee, and the Audit and Risk Committee.

Safripol's CEO and executive committee is accountable for various areas of sustainability, including the reporting of sustainability risks, opportunities, concerns and material matters.

KAP Sustainability, Social and Ethics Committee

This committee plays a pivotal role in exercising oversight of organisational ethics, social and economic development, good corporate citizenship, regulatory compliance, the environment, health and safety matters, stakeholder engagement, and labour and employment issues.

KAP Human Capital and Remuneration Committee

The purpose of this committee is to ensure that the group's remuneration practices are fair and reasonable, while remaining compliant with regulatory and governance requirements and ensuring that the remuneration practices deliver shareholder value.

KAP Audit and Risk Committee

The main purpose of this committee is to assist the board in fulfilling its oversight responsibilities and to evaluate the adequacy and efficiency of accounting policies, internal controls, enterprise risk management (ERM), compliance and combined assurance arrangements, and financial reporting processes. Environmental-related risks and opportunities are integrated into KAP's ERM.

Safripol LPR Committee

Safripol's LPR Committee meets regularly to discuss Safripol's LPR campaign, as well as our marketing and communication strategy around key sustainability projects.

Safripol Sustainability Forum

The Sustainability Forum is the main decision-making body for Safripol's sustainability programme, where the sustainability strategy is discussed and priority initiatives are identified. The Sustainability Forum is chaired by Safripol's Sustainability Manager and attended by Safripol's CEO, the Technology and Innovation Executive, the Sales and Marketing Executive, and the COO.

Safripol Sustainability working teams

To integrate sustainability across Safripol's operations, sustainability teams have been established across our sites:

i) The sustainability working group is a cross-functional team representing operations, which ensures implementation of our capex projects and tracks performance of capex projects against our sustainability targets.

ii) The Sustainability Committee focuses on mobilising actions from our employees and communities aligned with our key sustainability and volunteerism days.

Responsible business practices

Safripol is committed to operate responsibly and conduct business ethically, transparently and with integrity while upholding our corporate responsibility to both planet and people. Our business strategies align with relevant aspects of the Employment Equity Act, the B-BBEE Act (Act No. 53 of 2003), the Codes of Good Practice, the Occupational Health and Safety Act and other obligations in the areas of labour, the environment, health and public safety, ethics and corporate governance.

We align our business practices with the United Nations Global Compact 10 principles in the areas of human rights, labour, environment and anti-corruption, to which KAP is a signatory.

We also incorporate these principles into Safripol's values, as well as our **B**usiness Code of Conduct, and Supplier Code of Conduct, to ensure that the global principles are top of mind not only within our own business, but that there is also alignment within our supply chain.

Five Safripol Values

We exist to enhance the sustainability of our customers and all stakeholders.

We invest in our people and provide opportunities to enrich and improve their lives.

We intentionally operate safely and demonstrate care for the health of our employees, each other, our environment and the quality of our service and products.

Integrity in our dealings with customers, suppliers and our people is a core value, and we positively impact the communities where we operate.

Our diversity in culture, thinking and life view serves as a platform to continue building our success.

Health, safety and the environment

At Safripol, the health, safety and well-being of our employees, contractors and visitors to our sites, are values which is integrated into the Safripol culture.

We therefore endeavour to minimise our impact on the natural environment and to ensure that our facilities does not have a negative impact on human health. Our facilities comply with all South African legislative requirements for ensuring safe operations. We do annual medical screening assessments of all employees and we host two medical centres that offer basic healthcare to our employees. Our facilities at both Sasolburg and Durban are ISO 9001:2015, ISO 1400:2015 and ISO 45001:2018 certified.

Safripol is a member of the Chemical and Allied Industries Association (CAIA), and we subscribe to the Responsible Care® Code of Management Practice. Safripol reports its environmental and health and safety performance against key performance indicators to CAIA for compilation of the Responsible Care® report for the South African chemical industry. This voluntary initiative strives for continuous improvement in safe and responsible chemicals management and ensures best practice. We report quarterly to the KAP board and monitor our occupational health and safety, and environmental compliance and are committed to mitigating and minimising any potential negative impacts.

Incentivising good business practices

We incentivise positive behaviour aligned with good business practices through Safripol's Rewards and Recognition Policy and our Opportunity Tracking System (OTS).

Safripol's Rewards and Recognition process recognises individuals that step outside their prescribed roles to achieve operational excellence, provided that it is within the boundaries of Safripol's policies, environmental, health and safety, and work processes. The Rewards and Recognition nomination process is open to all employees (irrespective of their levels), who can nominate their peers for outstanding behaviour and practices. The recognition type can include a meal voucher, dinner for two, quality cheque or a special recognition award, amongst others. Safripol's OTS recognises individuals for taking active steps towards improvement in resource efficiency for energy, water, raw materials and waste. In FY 2024, a sustainability-aligned incentive was added on the OTS system whereby any opportunities that are recognised for improving a sustainability indicator has an associated monetary reward through the OTS reward calculator.

Labour and human rights

Safripol's approach to human rights is to create an inclusive and supportive environment free of prejudice in which all employees are treated equally with respect and dignity. We endeavour to enable a conducive and enabling environment for employees to realise their maximum potential within the company, regardless of their age, race, gender, religious or other beliefs.

We comply with the provisions of the Basic Conditions of Employment Act (No. 75 of 1997) and other labour laws, which prohibit forced and child labour, regulate hours of work, overtime work and employee leave, amongst others. We prohibit discrimination in the workplace and take positive measures to affirm and advance Historically Disadvantaged South Africans (HDSA) in all levels of the company. We also focus on building productive working relationships across diverse groups based on trust and respect.

Safripol strongly condemns any type of workplace harassment as a form of unfair discrimination. Through Safripol's annual harassment policy employee declarations, we promote awareness about workplace harassment, and its prevention. Safripol employees and directors are also expected to uphold the highest ethical standards, demonstrate consistency in their ethical conduct and live the Safripol values as set out in the Business Code of Conduct through their everyday actions.

Safripol's ethical compliance is supported by KAPREF, an anonymous, confidential ethics hotline which is available 24 hours a day, seven days a week, to all employees, suppliers and other stakeholders, who can report illegal or unethical behaviour, including mismanagement of funds, discrimination, harassment, vandalism, corruption, violence and theft without fear of reprisal. KAPREF Hotline activities are reported to KAP's sustainability, social and ethics committee, the audit and risk committee and the KAP board.

Supporting sustainable use of plastics

Safripol focuses on producing polymer resins that improve the sustainability of end-use applications. Our products are used to extend food shelf-life, reduce food waste, increase access to potable water, improve agricultural yields and enhance infrastructure, amongst others.

By prioritising design for recyclability, lightweight construction, the use of recycled materials, high performance and enhanced durability, we are actively supporting circularity and promoting sustainable product development.

Our PET resins used in beverage bottles have a high collection and recycling rate in South Africa, contributing to the circular economy and job creation. Furthermore, Safripol is a major off-taker of rPET feedstock for its ASPIRE♻ 15 and ASPIRE♻ 25 products containing 15% and 25% respectively of PCR, contributing to end-use markets of rPET, while enhancing plastic circularity, reducing plastic waste and lowering the carbon footprint associated with primary plastic production.

We are also implementing technologies like solar energy to produce our products with lower GHG emissions, which in turn helps our customers to lower their emissions.

We have made significant strides in optimising our HDPE and PP resin portfolio for durable long-term applications which now comprises ~90% of our polyolefin products. Safripol's HDPE polymer grades are optimised for applications in small and large-part blow moulding containers, intermediate bulk containers (IBCs), L-Ring drums, water tanks, cables and high-pressure pipes. A growing trend in large-part blow moulding applications is downgauging and lower emission products by reducing the amount of material for the said application as well as incorporating high percentages of recycled content, while maintaining material properties. To meet the market trends, we are currently enhancing properties of HDPE resin grades used in L-Ring drums and IBCs with a focus on lightweighting and long-term use in the circular economy.

Safripol's PE100 polyethylene, branded as iMPACT100, supports sustainability by enabling water security and, with an in-service lifetime exceeding 50 years, we are reducing environmental impact of plastics and promoting responsible resource use. We are developing stripping compounds both for potable water and gas to offer customers a single product solution. We are also working with our partners in the industry to develop commercial grades of rPP for selected rigid applications.

Food

Our products comply with the EU food regulation and it is used for food and beverage packaging, keeping food safe and fresher for longer, while designed for recyclability.

Water security

Our products are used in high-pressure pipe systems for potable water reticulation, and water tanks for water storage, enhancing sustainable use of plastics, and water security.

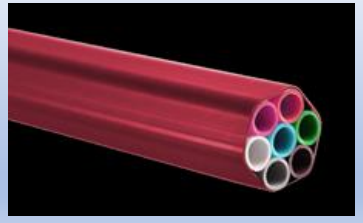
Agriculture

We support the agricultural sector with resins used for agricultural and shade netting, as well as pressure pipes for irrigation, contributing to food security and sustainable development.

Industrial

Our products for industrial packaging are used in large containers, L-Ring drums and IBCs and are designed with superior mechanical properties while allowing downgauging and sustainable plastic use.

Infrastructure



Our products are used in infrastructure including building and construction, gas and water reticulation, appliances, and telecommunication, enhancing durability while allowing downgauging and sustainable plastic use.

Domestic

Our products are used in various domestic wares including household and personal care product packaging, delivering safety, durability and convenience.

CONTRIBUTING TO PLASTIC CIRCULARITY

ASPIRE♻ enhancing the use of PCR, while ensuring food safety

PLAY rPET—ASPIRE♻ digital campaign

We believe that to contribute to a more sustainable future we need to transition our feedstock base towards a more circular model over time. The circular economy allows us to back-integrate into the feedstock, while reducing our dependency on finite raw materials and addressing critical environmental sustainability topics like resource efficiency and reducing waste.

Safripol's rPET portfolio is a homogenous blend of PCR PET and virgin PET pellets prepared in a solid-state polymerisation process, offering our customers the convenience of a one-bag solution, with a consistent material profile, for easier conversion into the final product.

Safripol's ASPIRE♻ 15 and ASPIRE♻ 25 containing 15% and 25% PCR respectively are certified to the British Standards European Norm (BS EN) 15343:2007 and conform to BS EN 15348:2014 for plastic recycling traceability, assessment of conformity and recycled content. Furthermore, the final product has been certified as food contact approved according to the US Food and Drug Administration (FDA) requirements.

The certification and conformity of our rPET products give our customers the confidence that the product is food safe, while complying with mandatory recycled content targets for PET beverage packaging based on Extended Producer Responsibility (EPR) legislation.

The EPR legislation determines the level of inclusion of mandatory PCR content in PET beverage bottles, which will reach 15% by November 2024, and will increase to 20% by the following year. Our goal is to scale up production with higher PCR inclusion by 2026 based on governmental legislation and brand owner demand. We plan to do this by leveraging our economies of scale and our strategic partnerships to create a market pull for rPET bottle-to-bottle resin and provide a competitive product to the market. Based on our engagements with the industry and plastics value chain, Safripol is reassessing its recycled polymer targets for 2030.

Key highlights FY 2024

- In FY 2024, Safripol produced just over 13 000 tonnes of ASPIRE♻ 15 containing 2 000 tonnes of PCR PET content. This showed an improvement from our previous year of 10 000 tonnes of ASPIRE♻ 15 and ASPIRE♻ 25.
- Production of rPET resulted in a reduction of 126 tonnes CO_2e which was due to a saving of 125 megawatts of electricity from our Continuous Polymerisation (CP) plant.
- We have initiated partnerships with local rPET flake suppliers to diversify our feedstock supply and back-integrate up the value chain.
- We secured local food grade rPET flakes which was compounded and supplied to Safripol Durban to produce ASPIRE♻ 15.
- To increase the knowledge base on recycled plastics, we commissioned a study with the University of Stellenbosch which investigated the mechanical recycling of locally sourced polyolefins for multiple lifecycles (Recycling of Polyolefins for Multiple Lifecycles).

Safripol supports the UNEA Plastics Treaty

The United Nations Environmental Assembly (UNEA) Plastics Treaty initiated in March 2022, seeks to create a legally binding framework that will guide countries and industries toward reducing plastic waste, improving waste management and encouraging sustainable practices across the entire lifecycle of plastics—from production to disposal. The treaty's vision to promote a circular plastics industry resonates with Safripol's mission to drive innovation in sustainable plastic production.

Safripol supports the UNEA Plastics Treaty process and plays an active role through its partnership with Plastics SA and CAIA, as well as collaboration with government. We are actively involved in both national and international forums, including intersessional workgroups, global plastic interest groups/PROs such as the Plastics Leadership Group (Europe) and the American Chemical Council. Furthermore, Safripol provided support for the industries' delegation to the fourth session of the Intergovernmental Negotiation Committee (INC-4) in April 2024 and remains actively engaged for preparations for INC-5.

The key areas of Safripol's support includes: i) assessing, identifying and developing criteria for polymers of concern; ii) supporting hazardous chemicals working groups; iii) advocating for industry standards in local polymer production and addressing compliance for imports; and iv) collaborating with government and other stakeholders to inform discussions on plastic pollution and recycling.

Mobilising waste collections

To support the development of a localised circular economy which prioritises waste as a valuable raw material, we provide resources (including infrastructure support) to various community-based organisations to support waste collection, recycling and create awareness about the importance of recycling.

Schools recycling programmes get a boost

Safripol is a proud sponsor of the Isphepho schools recycling programme, which is now in its fourth year of implementation. The programme provides schools with a fully subsidised waste collection service to ensure the successful implementation of separation at source of waste at the schools. The programme includes recycling infrastructure, Curriculum Assessment Policy Statements (CAPS) aligned curriculum for learners in the foundation, intermediate and senior phases, and training workshops for all learners and school staff. We also partnered with Plant the Seed to implement the Zero Waste Toolkit at schools which also includes supporting the schools with training and resources for sustainable waste management. The primary objective of both programmes is to create awareness among learners about proper waste management, environmental sustainability and the value of recycling.

Key highlights FY 2024

- The Isphepho schools recycling programme reached **76 326 learners.**
- A total of **387 tonnes of post-consumer waste** was collected across **100 schools,** achieving a major milestone.
- This comprises 77 schools in Umlazi Township (94% coverage of Umlazi schools), 10 schools in Engonyameni Rural Community and 13 schools in eFolweni Rural Community (100% coverage of schools in the latter two rural communities).
- We sponsored 228 recycling bins to Plant the Seed to implement the Zero Waste Toolkit, which was piloted in seven schools across the country. From the project, 10 tonnes of recyclables were collected from recycling bins, and just over one tonne of food waste was recovered.

Supporting litter boom waste collections

PLAY Litter boom's film production

The Green Corridors litter boom project focuses on removing ocean-bound plastics from our rivers through the simple intervention of installing litter booms. Litter booms are HDPE pipes that floats on the surface of a river, which physically traps any floating plastic material and other waste material allowing it to be easily recovered and collected. The project, which is now in its fourth year of implementation, has in the process assisted in establishing a small, medium and micro enterprise (SMME) Tri-Ecomvelo (Pty) Ltd that has supported employment for local people in the communities at the Green Corridors litter boom project sites.

For this past year, **26 tonnes of plastic was collected through the litter booms**, an improvement of three times on the previous year's collection volumes. This was due to an uptick in community collections through Tri-Ecomvelo's advocacy work. Due to the effectiveness of the litter booms, there has also been a drastic reduction in the amount of plastic and waste reported in the uMngeni Estuary and Durban beach during the implementation period, emphasising the importance of this project and other similar initiatives.

Safripol optimises its S@S recycling

Safripol launched its post-consumer recycling S@S programme across all of its facilities in FY 2021. The programme promotes separation and collection of post-consumer waste generated onsite from our canteens and office blocks which includes paper, cardboard, glass, metal cans and plastic bottles/containers. The 2021 launch was also commemorated by the signing of a pledge by senior management to show their commitment to be change agents and to plastic responsibly. This past year we reviewed the S@S programme to identify gaps for improvement. While we have identified a need for more frequent communication about S@S, there was also a requirement to streamline our recycling process to improve employee adoption.

Key highlights FY 2024

- We optimised our recycling bins from the four-coloured bin system to a one-bin recycling system, whereby all recyclable materials are now combined and collected in the same bin and separated from general waste. This move has made recycling at the workplace easier, as well as streamlining the collection for our recyclers.
- **29 tonnes of post-consumer waste was recovered and collected** across all our sites and the recyclables were distributed to local recyclers for further processing. This brings our total collected volumes over the past three years to 109 tonnes of post-consumer waste which was diverted away from landfills.
- Local recyclers who have benefitted from our S@S program include Indaloyami Trading in Sasolburg and Reclamation Group in Durban.

Repurposing used bulk bags

Safripol has implemented a repurpose model for one-tonne bulk bags used at its PET facility. The bulk bags are sponsored to Petco Producer Responsibility Organisation NPC (Petco), who then distributes the bags to various waste collection and recycling projects across the country. The bulk bags are provided to buy back centres, collectors, waste pickers, and municipalities involved in recycling efforts. Launched as a pilot in FY 2022, the project has seen significant growth. In FY 2024, it supported 58 waste collection projects and 13 municipalities across eight provinces, driving community-based waste collection initiatives. Throughout this past year, more than **26 099 used bulk bags from Safripol's facilities were sponsored** to these beneficiaries. Since FY 2022, a total of 77 861 used bulk bags have been sponsored through this programme, contributing to the promotion of recycling and waste management efforts in the country.

Case study 1: Driving positive behaviour change through LPR

letsplasticresponsibly.com
CLICK TO CHANGE THE WORLD

Safripol's LPR initiative is an educational and awareness campaign designed to transform public perceptions of plastics. Its goal is to encourage responsible behaviour change that fosters sustainable plastic use, innovative design, the circular economy and effective end-of-life management of plastics.

While the plastic waste problem is complex and multifaceted, plastic pollution to a large extent can be prevented by implementing proper waste management practices and changing consumer behaviour. The LPR initiative was developed to create a concerted effort towards closing the education gap regarding responsible plastic use, packaging design and proper waste management, while promoting behaviour change to encourage a circular plastics economy.

LPR uses various social media channels and we also host physical events to engage stakeholders by creating awareness around responsible plastic use, while promoting industry achievements and fostering key partnerships that drive sustainable plastic practices in the value chain. Over the past three years, the LPR campaign has delivered on dissemination of information via social media, billboards, and TV and radio advertisements in four strategic areas i.e.:

- **Rethink Plastic**: Changing public perceptions by highlighting plastic's essential role.
- **Power of R Campaign**: Promoting reducing, rethinking, repurposing and recycling.
- **War on Waste/Plastic Has Value**: Emphasising the value of plastic throughout its lifecycle.
- **Plastic Improves Lives**: Educating the public on plastic's critical role in the economy and quality of life.

Safripol's LPR campaigns have gained significant momentum, driven by event participation, social media engagement, and increased public awareness. To evaluate the campaign's impact, we conducted online surveys in 2020 (sample size: n=951), 2022 (n=507), and 2023 (n=346). The results show a positive shift in recycling behaviour: in 2020, 59% of respondents reported recycling, while this figure rose to 71% in 2023. When asked about the effectiveness of the LPR campaigns in 2023, 78% of respondents rated them as either good or great.

This increase in recycling rates, coupled with the positive feedback, suggests a strong correlation between the campaigns and improved recycling habits. It also indicates that the LPR initiative has successfully raised awareness about the environmental impact of plastics, motivating more sustainable choices.

LPR has also fostered collaboration within the plastics industry with many partners aligning and endorsing our campaigns and participating at our events, thereby driving further information dissemination, alignment in the industry and sustainable practices.

Our Everyday Environmental Heroes

On **International Coastal Clean-up Day, Safripol organised 250 volunteers to take part in clean-up efforts** at the Blue Lagoon in KwaZulu-Natal and at the Sasolburg Stadium and nearby roads in Sasolburg.

International Coastal Clean-up Day highlights the pressing environmental issues related to waste and pollution in marine environments caused by inadequate waste management practices. This global initiative calls on citizens to spearhead and participate in local clean-up campaigns at beaches, coastal areas, rivers and green spaces. In a strong demonstration of environmental stewardship, Safripol once again mobilised Everyday Environmental Heroes to participate in the CLEAN-UP AND RECYCLE SA Campaign 2022 – 2023.

Our volunteers, comprising Safripol staff, family, friends and supportive stakeholders such as Green Corridors, Reproplast, KAP Ltd, Petco, the DFFE and Durban Solid Waste, worked together to make a tangible impact. Safripol also engaged youth in the initiative, partnering with Umbilo Secondary School in Jacobs and Cedar High School in Sasolburg. A total of 35 students and their teachers heeded the call to action on the day, learning about responsible plastic use, and the principles of reducing, reusing and recycling.

The efforts resulted in the recovery and diversion of just over one tonne of waste from the environment. Recyclables were sent to Reproplast and Green Corridors in KwaZulu-Natal, and Indaloyami Recyclers in Sasolburg, ensuring that these materials were processed into new products. While clean-up activities address immediate concerns, they play a crucial role in ecosystem rehabilitation and increasing environmental awareness. Safripol's dedicated initiatives inspire others to join in and become active stewards of our environment.

Our commitment to a clean environment also extended to the Adopt-A-Warrior Programme led by the Hennops Revival NPO. Hennops Revival's Adopt-A-Warrior Programme, focusing on rehabilitation of the Hennops River, addressed post-flood clean-up and stormwater drain maintenance in the Centurion area. This involved cleaning 66 stormwater drains and employing three dedicated warriors.

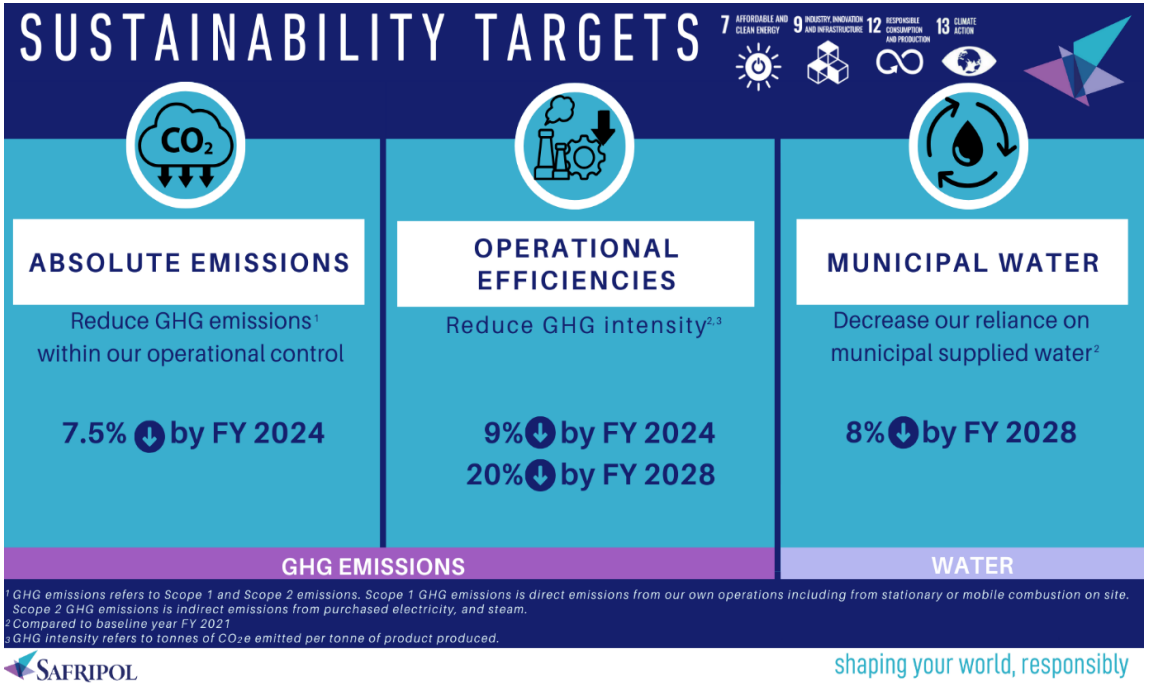
Through ongoing clean-up efforts and educational campaigns on waste and recycling, Safripol is empowering more citizens to become change agents.

REDUCING OUR ENVIRONMENTAL IMPACT

Targets inspiring action

To support the transition towards a low carbon and more sustainable future, Safripol has developed its first environmental targets, focusing in Phase 1 on carbon mitigation and water security. We are committed to responsibly manage the natural resources which we consume within our operations, and help reduce GHG emissions, recognising the impact of our actions on climate change and its impact on the natural ecosystems and society.

To see how we have performed against our GHG emission reduction and water withdrawal targets refer to page 20 and page 21 respectively.



GHG emission reduction targets

Safripol aimed for a 7.5% reduction in GHG emissions (tonne CO_2e) and a 9% reduction in GHG emission intensity (tonne CO_2e/tonne product) in FY 2024 compared to the baseline year FY 2021. To meet our emission reduction goals, we focused on implementing energy efficiency projects and decarbonisation of our energy sources across our operations by utilising renewable energy.

In FY 2024, we reviewed and updated our short-term (FY 2024 – FY 2028) GHG reduction targets to ensure they are both ambitious and realistic**.** This review focused on flexibility, considering sector complexities, supply chain dynamics and business growth, while aligning with the SDGs**.**

Following the review, we continue to prioritise **a 20% reduction in GHG emission intensity by FY 2028** however no longer target an absolute reduction in GHG emissions. We believe the updated targets will provide a clearer view of operational carbon efficiency.

Water withdrawal targets

Safripol has set a target **to reduce fresh potable water withdrawal from municipal supply by 8% by FY 2028**, using FY 2021 as the baseline year. We aim to reduce our reliance on municipal water by increasing water reuse and recycling within our facilities. We are focusing on optimising our processes to prevent water losses**,** e.g. from cooling towers, to ensure more efficient water usage throughout our operations.

Climate resilience

Our sustainability strategy is based on strengthening Safripol's resilience and institutional capacity to mitigate and adapt against present and future potential climate change-related risks and opportunities. We are continuously reviewing our climate risk assessments, to ensure that climate change risks and opportunities are identified and fully integrated into our business planning and strategies.

To support our environmental targets we are focusing on four priority areas.

Decarbonising energy sources

Our decarbonisation pathway for 2028 is based on transitioning towards low-carbon energy by implementing multiple photovoltaic (PV) solar energy power plants, both ground and roof mounted, as well as other renewable or low-carbon energy solutions for both our Sasolburg and Durban facilities.

Improving resource efficiency

We aim to optimise our resource usage, and reduce consumption wherever possible, while reusing and recycling precious resources. Our focus is on energy efficiency improvements, including implementing the most effective technology where possible to optimise production and reduce our carbon footprint. We recycle our used process water for reuse at our Sasolburg facility and are implementing water recovery solutions for our Durban plant. We support the circular economy of plastics through our rPET products and waste collection initiatives. We implemented a S@S programme for waste at our sites and our post-industrial waste is sold to industry for processing into new products.

Climate change adaptation

Safripol keeps abreast of the latest developments in terms of South Africa's climate change response plans and strategies through industry representation in the Climate Change Adaptation Technical Working Group of the DFFE. We are integrating climate change risks into our business plans to proactively manage climate change adaptation considerations and action plans. Natural disasters, such as flooding, poses potential risk for our Durban facilities due to its geographical location to a coastal region. Droughts could also affect water security for our Sasolburg site. We are developing a water security strategy to secure water supply to our facilities, thereby ensuring business continuity. This includes increasing the treatment of effluent water and recycling it back into our plants for use in the cooling towers and optimising our cooling towers to reduce water loss.

Renewable feedstocks

We aim to reduce our fossil fuel feedstock, with a medium-term to long-term focus to transition a portion of our feedstock base from fossil fuel monomers to mechanical recycled polymers. Our goal is to scale up and grow our recycled polymer portfolio which will enable us to increase our use of renewable feedstocks and reduce our overall emissions and dependency on fossil raw materials. We are investigating PET depolymerisation technologies with technology partners to convert PCR back into monomers. Additionally, we are evaluating the viability of these technologies for our local feedstock.

Carbon Tax

The Carbon Tax Act (No. 15 of 2019) administered and collected by the South African Revenue Service, came into effect in South Africa on 1 June 2019. The Act requires companies to pay an annual environmental levy for GHG emissions if they exceed the set thresholds for their specific sectors.

Safripol classifies its activities under Intergovernmental Panel on Climate Change (IPCC) Code 1A2c for the Chemical sector which includes manufacture of plastics in primary forms. Safripol exceeds the threshold for the activities under IPCC Code 1A2c, which is 10 megawatts thermal net heat input design capacity, and therefore we contribute carbon tax for the stationary combustion of fuels at our sites. Our carbon tax liable emissions include stationary combustion of kerosene, diesel and methane-rich fuel at our Durban PET facility, and natural gas and diesel at our Sasolburg polyolefin facilities, which in the 2023 calendar year amounted to just under 25 000 tonnes CO_2e. A significant portion of our emissions, approximately 97%, stems from the use of methane-rich fuel for heating at our PET production plant. However, it's important to note that the feedstock used for this process is more than 40% lower in carbon intensity compared to the energy sourced from the current South African electricity grid.

The cost of carbon pricing is expected to increase in South Africa in the coming years due to current carbon tax allowances being reduced or removed entirely. As a carbon taxpayer, and a responsible producer, Safripol prioritises reduction in our emissions from stationary equipment to effectively manage these escalating costs, as well as to meet our GHG emission reduction targets. This drives our focus on adopting low-carbon fuels for our Durban facility, as well as improving energy efficiency and exploring renewable energy solutions across our sites.

Our decarbonisation and energy efficiency projects

Safripol's solar PV plant reducing emissions

PLAY Safripol's solar project

Our energy strategy aims to reduce supply risks and control cost increases, with a focus on achieving energy independence where possible by integrating renewable energy into our energy mix. By investing in renewable energy, we not only increase security of energy supply for Safripol's facilities but also lower both energy costs and greenhouse gas (GHG) emissions over time. We have increased our renewable energy capacity by implementing a 10 megawatts solar PV plant ground mounted at our Sasolburg facility. The initiative utilised state-of-the-art PV technology for development of an owner-led self-generation renewable electricity plant. The PV plant spans 18 hectares at our Sasolburg facility, featuring over 15 000 panels that continuously track the sun to capture maximum energy. The PV cells convert solar energy to power our production of HDPE and PP resins at our Sasolburg facility.

Key highlights FY 2024

- **Safripol generated 17 560 megawatt-hours of renewable electricity** from its 10-megawatt Sasolburg PV plant, providing 12% of the company's electricity requirements.
- We reduced **our emissions by ~17 736 tonnes CO_2e**.
- A locally sourced, contracted workforce of 103 people contributed more than 120 000 man-hours to manage the installation of the plant, highlighting the project's commitment to community involvement and local job creation.
- In addition to the capital investment for our Sasolburg PV plant, investments are planned for our Durban facility, and further expansion is in the pipeline for the renewable energy-generation facility at Sasolburg.

Safripol's HDPE plant upgrade

During FY 2024 we upgraded our HDPE plant with the Hostalen bimodal technology to simplify our production, and importantly to improve our energy efficiencies. The HDPE plant upgrade included the installation of a new reactor with superior energy efficiencies, allowing for the optimised production of bimodal HDPE grades, as well as facilitating operational flexibility. It also included a new HDPE granulation line with state-of-the-art most effective technology from Coperion GmbH.

Key highlights FY 2024

- A total investment of R403 million was made into the plant upgrade since commencing the project in FY 2021, of which R97 million was invested during FY 2024.
- The revamped plant began its beneficial operation in the final quarter of the year.
- Successfully fabricated 90% of the 40-tonne reactors in Vanderbijlpark, thereby boosting support for local industries.
- Installed a 26-tonne decanter, imported from Andritz, Germany.
- Revamped the control room, now outfitted with advanced digital systems that enhance remote switching technology and safety measures, minimising human interaction with high-risk areas.
- Over the last three months of the year, **we saved 4 741 tonnes CO_2e from our facilities due to improved efficiencies from steam and electricity** on the upgraded plant.

Our performance against carbon mitigation

Safripol manages its Scope 1 and Scope 2 GHG emissions, which is conducted according to the South African GHG emission reporting regulations of 2017, and the 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines. Safripol's Scope 1 and Scope 2 GHG emissions data is independently assured by Catalyst Solutions.

Key highlights FY 2024

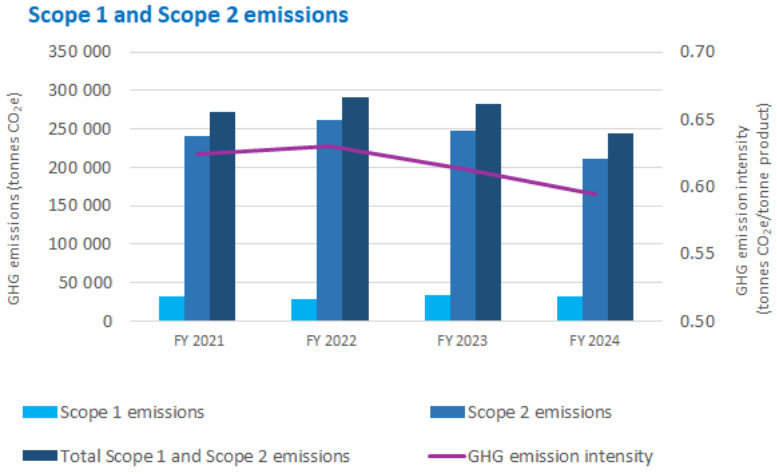
- In FY 2024 we updated our emission factors to align with South Africa's latest published grid emission factors, which has an impact on the historic reporting as well as the contribution of our energy savings on emission reductions.
- Safripol's combined Scope 1 and Scope 2 GHG emissions was 243 839 tonnes CO_2e, and we have reduced our emissions by **28 374 tonnes CO_2e compared to our baseline year (FY 2021)**.
- **Safripol has exceeded its FY 2024 short-term GHG emission reduction target of 7.5% for Scope 1 and Scope 2 emissions and achieved an actual GHG emission reduction of 10.4%.** From the emissions reduced, 22 603 tonnes CO_2e (i.e. 80%) was from mitigation projects, while 5 771 tonnes CO_2e (i.e. 20%) was due to lower production and other smaller energy-saving efforts.
- We generated **17 560 megawatt-hours of electricity from our solar PV plant, which provided ~12% of Safripol's energy requirements**, representing a first for the organisation.

Interventions	GHG reduction compared to baseline year/ tonnes CO_2e
10 megawatts solar PV farm	17 736
HDPE polymerisation plant upgrade	2 241
HDPE granulation line upgrade	2 500
ASPIRE® 15 rPET production	126
Total GHG emissions reduced from mitigation efforts	**22 603**
Total GHG emissions reduced from lower production and smaller energy-saving efforts	**5 771**
Total GHG emissions reduced	**28 374**

● Target achieved ● Target on track ● Target not achieved

	FY 2024 actual	FY 2024 actual % improvement	FY 2021 baseline	FY 2024 target % improvement	Progress against target
Absolute GHG emissions (tonnes CO_2e)	243 839	10.4	272 213	7.5	●
GHG emission intensity (tonnes CO_2e /tonne product)	0.59	4.9	0.62	9	●

- In FY 2024, our overall electricity consumption decreased by ~20% compared with our baseline, even though our production volumes dropped by only ~6% over this period. This indicates improvements in our energy efficiencies, with our FY 2024 GHG emission intensity of 0.59 tonnes CO_2e emitted per tonne of product produced compared with our baseline intensity of 0.62 tCO_2e/tonne.
- Despite improvements in efficiencies compared to our baseline, due to the lower production rates, we achieved a GHG emission intensity reduction of only 4.9% compared to our target of 9% for FY 2024.



Responsible water use management

We recognise the importance of water as a precious resource and a key enabler of the UN SDGs, especially for developing countries. We also acknowledge the importance of water to our own facilities and endeavour to use it responsibly and efficiently to minimise our environmental impact and safeguard water resources.

Safripol's water requirement is primarily for use in the cooling towers at our plants and for ablution at our facilities. We primarily source potable water from the municipal supply and at our Sasolburg facility we also recycle process water, ensuring that we have multiple water sources. We are committed to ensure that we comply with the relevant water use and discharge standards, and we closely monitor the quality of our water use and discharge. At our Sasolburg facility our water effluent is managed by a third party for treatment, while at our Durban facility we have a water discharge permit which is renewed annually to discharge effluent into municipal systems. Our Durban facility is equipped with an automated effluent system which ensures that our effluent always meets regulatory standards prior to discharge. We also do daily effluent testing and we conduct annual toxicity tests to ensure that we comply with our permit conditions.

To steward water as a shared resource, we engage with various stakeholders to ensure that water-related impacts are minimised. Safripol remains involved in water matters through our CAIA membership as a member of the Responsible Care® Standing Committee and the Advocacy Committee and associated sub-committees. In Sasolburg we are actively involved in the local Leeu-Taaiboschspruit Water Forum to proactively manage our water security, where Safripol is represented as the Secretary on this forum, and Chair of the Technical Committee. The Water Forum is mainly a communication forum constituted under the National Water Act (No. 36 of 1998) and forms part of the catchment management structures and ensures all industry stakeholders are kept abreast of matters affecting water security. To improve municipal security of supply, we assist the Sasolburg municipality with maintenance of our water infrastructure which is within the Sasolburg industrial zone.

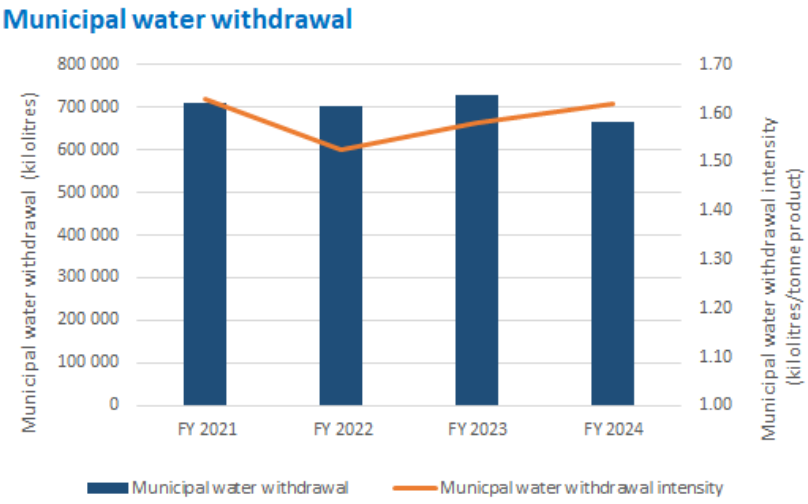
Key highlights FY 2024

- Our municipal water withdrawal was 664 335 kilolitres, which was ~46 175 kilolitres or 6.5% lower than in FY 2021. This was mainly due to our lower production.
- Our municipal water withdrawal intensity remained relatively stable (i.e.1.62 kilolitres of municipal water withdrawn per tonne of product produced) compared to 1.63 kilolitres /tonne for the baseline year.

Target achieved Target on track Target not achieved

	FY 2024 actual	FY 2024 actual % improvement	FY 2021 baseline	FY 2028 target % improvement	Progress against target
Municipal water withdrawal (kilolitres)	664 335	6.5	710 510	8	●
Municipal water withdrawal intensity (kilolitres /tonne product)	1.62	0.7	1.63	-	-

- We reused 111 084 kilolitres of process water in our cooling towers and other non-critical areas.
- We are conducting a water risk mitigation study at our Durban facility to identify the most effective technology for the site's water requirements to support sustainable water management and further reduce our municipal water withdrawals, in line with our FY 2028 targets.



Managing waste as a resource

Safripol is prioritising the circular economy and our primary objective is reducing waste generated at our facilities by improving our operational efficiencies. Secondly, polymer waste produced at our facilities are recovered and sold into the market as off-spec or post-industrial waste for recycling, ensuring zero polymer waste to landfill. As a responsible producer, we endeavour to comply with the relevant legislation regarding the National Environmental Management: Waste Act (NEMWA) (No. 59 of 2008). Across both sites, waste is only removed off site through licensed waste transporters and, where relevant, disposed of at licensed sites and tracked through waste manifests.

Through CAIA, we have been actively engaging on the proposed broadening of the definition of waste in the National Environmental Management Laws Amendment Act, 2022 (NEMLAA 4), and we are proactively taking steps to ensure our compliance. We are awaiting the completion of the public participation process of NEMLAA 4, and the gazetting of the amended definition of waste in the Waste Act. In FY 2024, Safripol Durban obtained a General Waste Licence for the sorting, grinding and shredding of waste onsite, and we are in the process of applying for the same for our Sasolburg facilities. We are currently working on streamlining our waste data management and have therefore not set any waste targets; however, we report on our waste trends from FY 2021.

Operation Clean Sweep®

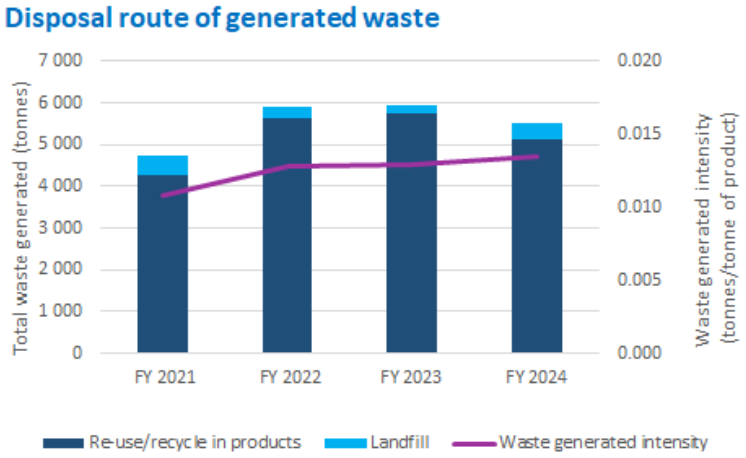
Safripol has been a signatory to Operation Clean Sweep® (OCS) for the past three years. OCS is an international environmental stewardship project, which requires signatories to take a voluntary pledge to ensure prevention of leakage of plastic pellets, flakes, or powder into the environment. Plastics SA is the licensee for Operation Clean Sweep in South Africa. Safripol handles monomer and polymer powders and pellets during various stages of its production, testing, bagging and logistics.

By taking the OCS pledge, our goal is to minimise any powder or pellet loss during all stages of our production, while ensuring we prevent possible leakage. We have preventative measures in place in line with best practice to minimise accidental leakage and we ensure that all operators are properly skilled and trained. We also engage our logistics partner, Unitrans, who is also a signatory to OCS, to ensure that we prevent pellet loss during distribution of products to customers.

Key highlights FY 2024

- 5 524 tonnes of waste was generated. Of this volume, 93% or 5 127 tonnes was recycled by third parties to produce new products and 396 tonnes was landfilled in accredited waste management facilities.
- Our waste data shows a 7% year-on-year reduction in waste volumes across our facilities, but an increase of 17% compared to FY 2021. This was mainly due to shutdowns at both of our sites in FY 2024.
- However, we maintained a stable waste intensity rate of 0.01 tonne of waste generated per tonne of product produced over the past four years.

	FY 2024 actual	FY 2024 actual % improvement	FY 2021 baseline
Total waste generated (tonnes)	5 524	(17)	4 721
Waste generated intensity (tonnes/tonne product)	0.01	-	0.01



Product stewardship

Safripol's approach to product stewardship highlights a comprehensive commitment to environmental and safety management throughout the entire lifecycle of our polymer products. By taking accountability for minimising negative impacts, we engage all stakeholders in the value chain to ensure safe product usage and environmental sustainability. Our proactive stance on regulatory compliance ensures that both our raw materials and finished products meet all necessary standards. We prioritise building trust with our customers and stakeholders by demonstrating our dedication to responsible practices. This not only enhances our reputation but also helps us manage product risks and liabilities effectively. Our focus on continuous improvement enables us to identify and mitigate hazards, driving down the potential for health and environmental issues related to our products. Through these efforts, we aim to comply with our legal obligations as a producer, as well as meet the evolving needs of our customers while delivering maximum value to our stakeholders.

Key highlights FY 2024

- Recycled plastic materials and articles intended to come into contact with food (European Food Safety Authority (EFSA) and third party): **Our ASPIRE 15 products are certified for recycled content by AENOR** in accordance with BS EN 15343:2007 for plastic recycled content traceability and BS EN 15348:2014 for characterisation of PET recyclates. Furthermore, the final product has been tested and certified by the Fraunhofer Institute in Germany as **food contact compliant** according to US FDA requirements. These certifications give our customers confidence that the product is food safe and compliant with mandatory EPR recycled content targets for PET beverage packaging.
- Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) certification of our SAFRON PP, and SAFRENE HDPE product families—Substances of Very High Concern (SVHC): In FY 2024, **Safripol formally obtained REACH certification for its polyolefins business.** This certification ensures our product does not contain SVHC and hence no potential to migrate SVHC to food. It allows sales into the European region, including Northern Ireland.
- PE100 certification: **Safripol's PE100 polyethylene** is certified by the South African Bureau of Standards (SABS) as being **compliant to South African national standards (SANS) 4427-1:2008 and SANS 4437-1:2014 requirements for water and gas pipe applications respectively**. This material is also certified by the independent European certification body, AENOR, to **ISO 4427-1:2019 and ISO 4437-1:2014** for use in the manufacturing of pipes and pipe fittings for the supply of potable water and gaseous fuels.
- Elimination of all per- and polyfluoroalkyl substances (PFAS) containing additives from our product portfolio: In July 2023, **Safripol eliminated all PFAS-containing additives from its product portfolio**, without compromising product performance and quality.
- Polymer production aid—phthalates: Safripol is actively evaluating the regulation changes with our technology partners regarding phthalates in ensuring compliance.
- EPR for packaging: Safripol is a proud member of **Polyco's EPR scheme and fully complies with the EPR legislation.** In this capacity, we assume the role of producer for the 25 kg bags used in the sale of our resins, as well as for the packaging of imported raw materials where no local legal representative is designated. For FY 2024, Safripol delivered 538 tonnes of packaging to the South African market which was subjected to EPR fees. Polyco conducted an audit on Safripol's declared tonnages through a third party and no discrepancies were found on the agreed-upon procedures.

Occupational health and safety

Key highlights FY 2024

- Safripol Sasolburg and Safripol Durban achieved accreditation for ISO 9001:2015, ISO 1400:2015 and ISO 45001:2018 during the recertification audit conducted in April 2024 by British Standards Institution (BSI). This accreditation confirms our compliance with the highest international standards for business processes, the environment, and occupational health and safety.
- Safripol invested R25 million for compliance with environmental health and safety requirements during the year.
- We recorded zero lost-time injuries across our occupational health and safety indicators, with only one minor Compensation for Occupational Injuries and Diseases (COID) incident with no lost time recorded.
- Safripol's performance in terms of COID is noteworthy considering that we had shutdowns at both of our facilities in FY 2024, as well as the upgrade to our HDPE plant, with a large contingency of temporary workers onsite.

Analyses incident including COID reportable	FY 2024	FY 2023
Employees—lost-time injuries	0	0
Employees—occupational diseases	0	0
Employees—COID no lost time	1	0
Contractors—lost-time injuries	0	0

Industry organisations we support

Safripol engages with several trade or other intermediary organisations to support the sustainable development of the plastics value chain and we keep abreast of policies, regulations or standards that impacts the industry and the environment.

Organisation	Alignment with Safripol's sustainability programme	Safripol's role	Key highlights FY 2024
CAIA	In South Africa, CAIA represents the interests of the chemical industry and is the custodian of the Responsible Care® initiative, which is the global chemical industry's initiative to continuously improve health, safety and environmental performance in the chemical industry. CAIA supports efforts to lower GHG emissions across the chemical industry in line with international climate agreements, such as the Paris Agreement.	Safripol's CEO is the Chair of the CAIA board. For the past two years, Safripol was also represented as the Chair of the Responsible Care® Standing Committee. Safripol has active participants in the Process Safety Forum, the Advocacy Committee, Climate Change sub-committee, Waste Management sub-committee and a seconded representative to the DFFE Climate Change Adaptation Technical Working Group, as well as a business sector representative on the National Economic Development and Labour Council (NEDLAC) Working Group for the National Water Resources Infrastructure Agency Bill.	Interaction with chemical manufacturers and other stakeholders to promote industry standards and regulatory compliance. Engagement with the DFFE on the definition of waste and active participation in the Air Quality Forums to revise section 21 of the Air Quality Act (No. 39 of 2004).
Plastics SA	Plastics SA aims to advance the growth and sustainability of the plastics industry through innovation, advocacy, training and environmental initiatives. One of its focus areas is to increase plastic recycling rates in South Africa.	Existing board member and involved in active participation in global plastics agreement discussions, focusing on the development of international legally binding instruments to address plastic pollution.	Hosted workshops with the DFFE and DTIC to align industry positions on the UNEA Plastics Treaty and developing supporting documentation for the DFFE on polymers of concern and hazardous materials.
SA Plastics Pact	The aim of the SA Plastics Pact is to develop a circular plastics economy in South Africa, one that values plastics and reduces waste.	Safripol is a member of the SA Plastics Pact since 2021, contributing to the circular economy for plastics.	Participated in action groups and webinars focused on packaging recyclability, circularity in the food and beverage sector and EPR.
Polyco	Polyco is an established PRO in South Africa, taking care of the end-of-life management of all plastic packaging products on behalf of its members. One of its aims is to reduce plastic pollution by increasing the collection and recycling rates of all plastic types in South Africa.	Safripol is a member of Polyco's EPR scheme since FY 2022. We are also an existing board member and participant in the Project Evaluation Committee.	Collaboration with plastic recycling value chain partners, the DFFE, municipalities and other stakeholders in promoting recycling and compliance with EPR responsibilities.
Petco	Petco is an established PRO in South Africa, taking care of all PET beverage packaging including caps and labels, as well as liquid board packaging, also known as Tetra Pak®. The aim is to increase collection and recycling rates of PET bottles and associated packaging in South Africa, which has a direct impact on reducing plastic pollution.	Existing board member and participant in various recycling and sustainability initiatives.	Interaction with key converters and brand owners, focusing on EPR schemes and recycling innovations. Safripol also partnered with Petco in the enablement of community-based circular economy projects.
Packaging SA	Packaging SA provides effective leadership and representation on major external and internal issues which impact the packaging industry. The organisation engages with all interested parties including government, the media and its own membership. Packaging SA actively promotes the benefits of packaging and its primary focus is on environmental issues.	Existing board member.	Engagement on various topics affecting the packaging industry including specific market research conducted for South Africa, including separation at source and EPR.
SAPPMA	The aim is to ensure that the plastic piping industry adheres to high standards of product quality, safety and environmental responsibility, while actively supporting the recycling of plastic pipes to reduce environmental impact and promote a circular economy.	Board of directors and Technical Advisory Committee.	Engaged members, to promote and monitor the quality of plastic pipe products produced, marketed and sold by its members to align on the long-term sustainability of the plastic pipe industry in southern Africa.

Safripol's employee health and wellness

This year, we accelerated our employee wellness programmes across our sites including physical health and mental well-being, as well as creating social connections with co-workers. To promote wellness, Safripol also has a Health and Lifestyle Policy in place, which encourages employees to lead healthy lifestyles and to engage in regular exercise by subsidising annual membership at an approved gym for Safripol employees. By integrating these elements into the workplace, we ensure a supportive environment that prioritises employee wellness as well as healthy lifestyles, which ultimately leads to higher engagement, productivity and job satisfaction.

Mental health webinars and special events

Safripol subscribes to an Employee Assistance Programme (EAP) administered by Life EHS. All employees have access to the assistance programme to help them through difficult periods. The EAP assists employees to deal with a variety of personal crises, e.g. debt, legal matters, stress, anxiety, marital issues, trauma, etc. In FY 2024, various types of information were shared with employees throughout the year and mental health webinars and special events were conducted by Life EHS to provide insightful information on how to care for oneself, dealing with stress and anxiety, and looking after one's emotional, psychological and social well-being.

Safripol wellness days 2023

Across our sites, employee health checks were conducted in partnership with Life EHS and other service providers. This included cholesterol and glucose tests, blood pressure measurement, body mass index (BMI) measurements and eye assessments.

Through the Safripol clinic, we also offered employees sonogram breast assessments, flu vaccinations and Vitamin B Complex shots. In addition, special wellness day events were held at the Sasolburg and Durban sites, including wellness talks, fitness, blood donation, voluntary HIV counselling and testing, as well as healthy smoothies.

Women and men's health awareness campaigns

Campaigns highlighting specific women and men's health issues were hosted in both Sasolburg and Durban. To raise awareness of men's health, the men at our Durban plant took the plunge and grew moustaches to show their support.

Safripol's Biggest Loser Competition 2023

Launched in 2023 and driven by the Wellness Champions at Safripol, the programme enrolled 144 participants across our sites, with the aim of encouraging participants to reach their ideal weight goals. Conducted over a period of six months, parkruns, community walks, family events and Golden Mile Thursdays were implemented, which were well supported by all participants. A Safripol Whatsapp community support chat was set up, for sharing messages of encouragement, healthy meal ideas and, in general, supporting all the participants on a daily basis. A total of 438 kg of weight was lost over the six months by participants, with a combined initial weight of ~11 500 kg in total.

Investing in our people

Safripol's focus on training and competency development ensures that we empower our teams by equipping them with the required skills needed to excel in their roles and to be future ready, thereby boosting performance and fostering a culture of lifelong learning. We invest in our people to foster a positive work environment and provide opportunities to enhance collaboration, drive innovation and a culture of continuous improvement, all of which benefit the organisation in the long run. Safripol also encourages continuous learning by supporting employees to obtain relevant qualification upgrades across all levels within the organisation. Furthermore, Safripol also offers bursaries to our employees' dependents, whereby full bursaries are available to students who meet the requirements as set out in the amended employee dependants' bursary policy.

Key highlights FY 2024

- In FY 2024, Safripol invested **~R14 million in personnel training across our sites,** including compliance training of employees.
- We launched the GIBS Safripol Leadership Ignite Programme in FY 2023, focusing on development of our young leaders to ensure they are future fit. In FY 2024, 28 Safripol employees completed the GIBS Safripol Ignite Leadership Programme.
- Eleven of the Ignite delegates form part of the first cohort of the Safripol Mentorship Programme which commenced during the second half of FY 2024 and will continue into FY 2025.
- In FY 2024, 37 employees were studying towards higher degrees or diplomas and nine employees graduated during the year from the class of 2023.
- In FY 2024, 34 employees' dependents received bursaries to support their tertiary studies.

CREATING POSITIVE SOCIAL IMPACT

As a responsible polymer producer, we recognise that business must do well to do good; therefore, we are committed to create economic value for our shareholders and key stakeholders, and to invest back into our communities, in order to create positive social impact. Our five social impact areas continued to receive support in FY 2024. To see the actions we have taken on our LPR campaign, refer to the previous section (page 15).

Let's plastic responsibly campaign

Education, awareness, and advocacy for responsible use of plastics

Promoting circular economy

Advertising and social media campaigns

Safripol's annual plastic sustainability conference

Community projects

Support for buy-back centres and waste reclaimers

Separation at source projects

Community waste collection projects

Fence-line community support

Access to quality education

Early childhood development

Schooling education support

Tertiary education support

Schools' education and recycling projects

Skills Training and Enterprises

Learners, apprentices, and interns

YES Youth

Vocational training

Workplace experience

Supporting enterprises in circular economy

Safripol Ambassadors

Safripol employee change agents

Safripol employees participate in community projects

FY 2024 Awards

CAIA Responsible Care® Initiative of the Year Awards 2023: Safripol took the top award as winner of the Responsible Care® Initiative of the Year Award—corporate social responsibility—Category A for the entry: **Community-led Waste Collection and Recycling** and first runner-up in the Company—Category A for the entry: **Enabling Sustainability Through Circularity**.

LUSA Community Chest 2024: Safripol was awarded the Gold Award for its contribution to the **LUSA Community Chest Winter Warm Food programme**.

Caroline Reid Awards 2023: Safripol was recognised by Plastics SA for its commitment and dedication to protecting our waterways and the natural environment through **five years of support for the clean-up and recycling campaign.**

Community projects

Safripol is dedicated to supporting its fenceline communities in Durban South and Sasolburg, and we initiate several projects during the year to improve the lives and livelihoods of community members. Engaging in these projects not only strengthens community ties but also fosters trust and collaboration between the community members and Safripol, which is a win-win for everyone. We focus our efforts to create a positive impact in the communities where we operate.

To provide an enabling platform to engage the community in the Durban South Basin, Safripol established the Safripol Community Engagement Forum (SCEF). The forum involves regular meetings with the community leaders and Safripol to build trust between the parties, as well as engage them on their challenges and opportunities for partnership. Based on our SCEF engagements, we identified several priority projects which were implemented in FY 2024 together with our partners.

Jacobs clean-up: This is a group of local business owners who work together to create a clean and positive image of the Wentworth and Jacobs areas. In FY 2024, Safripol partnered with Brandcor, the founder of the Jacobs clean-up, and provided equipment for cleaning the Jacobs area and painting material for sidewalk maintenance.

Soup kitchens in Jacobs and Wentworth: We supported three feeding schemes in FY 2024, being Meals on Wheels, The Soup Kitchen Umbrella Body and Wentworth Feeding Scheme, to provide hot meals for those in need in the Wentworth community.

Wheelchair campaign: We supported Durban South Skills Development for People with Disabilities (DSSD), which is an NPO that houses disabled individuals and provides them with skills. Safripol supported the DSSD wheelchair campaign by sponsoring 20 wheelchairs for the local community.

Safripol's Toy Campaign reaching new heights

Safripol's Toy Campaign, in partnership with The Angel Network and Toy Kingdom, promotes the reuse and refurbishment of plastic toys. The Safripol Toy Campaign collects and distributes pre-loved toys to underprivileged children across South Africa. The initiative focuses on promoting responsible plastic use and bringing joy to children who might not have toys of their own. Since its inception, the campaign has seen significant growth.

Starting with collections from just five locations in 2020, the campaign has now expanded to **128 locations in FY 2024**, resulting in the collection of over **55 000 toys**. This expansion represents a fivefold increase in growth of the programme over the period, demonstrating a significant increase in the campaign's reach and impact. The growth in the Toy Campaign has been supported by the involvement of various schools nationwide, corporates, and malls, as well as extensive media support from outlets like the Expresso Show, Hot FM and Smile 90.4 FM. Several early childhood development (ECD) centres in our fenceline communities were prioritised as beneficiaries for the programme, including Granma Rio's ECD centre in the Wentworth community and Kamohelo Centre for disabled children in Sasolburg.

Access to quality education

A quality education goes beyond just academics; it encompasses a holistic experience that includes emotional, social and physical development. Therefore, at Safripol we are keen to support children and young learners through our partners by creating and enabling a learning environment that allows children to thrive both in and out of the classroom. Some of the projects which we supported in FY 2024 which are making lasting positive impacts on the lives of children and their families include:

- feeding schemes at ECD centres and child-headed households to ensure that children have the nutrition they need to learn effectively;
- extra classes and tutorials at secondary schools to enrich the learning experience of learners;
- providing basic supplies and infrastructure to community schools to address essential needs; and
- training and infrastructure for recycling to promote sustainability awareness at schools (see page 13).

Case study 2: Inani Startwell Feeding Scheme

VIDEO Inani Startwell Feeding Scheme Film Production

The Inani StartWell Feeding Scheme, a social impact initiative supported by Safripol, is aimed at reducing child malnutrition and stunting in South Africa by providing daily nutritious meals to young children. This programme primarily targets children under five years old at ECD centres and ensures that they receive essential nutrients during their critical developmental years.

Stunting, a condition caused by chronic malnutrition, affects one in three children in South Africa. This condition, characterised by impaired growth and development, is preventable with proper nutrition and care. Recognising the severity of this issue, the Inani StartWell Feeding Scheme focuses on eliminating stunting by providing high-quality, nutrient-rich cereals to vulnerable children, raising awareness about stunting, and identifying high-risk children and providing additional nutritional support to improve their growth trajectory. The initiative is crucial in promoting healthy physical and cognitive growth among children in impoverished communities, where malnutrition and stunting are prevalent issues. This initiative also supports Safripol's broader sustainability goals of waste reduction and driving the circular economy, by using reusable plastic containers for meal distribution, which are returned and refilled with new meals for redistribution.

In FY 2024, the Inani StartWell Feeding Scheme reached just over 2 700 children in 55 ECD centres. Approximately 56% of these children reside in our fenceline communities in Sasolburg and Durban. Preliminary data which tracked the height of 527 children over a nine-month period showed that 60% (316 children) had a measurable growth improvement, indicating that the programme is making a substantial impact in the fight against child malnutrition. The measurement group included 120 children exposed to chronic malnutrition of whom 84% (101 children) displayed improved growth relative to their starting point.

Other highlights FY 2024 that impacted learners

- We supported the Asibavikele Feeding Scheme in Sasolburg, which is LUSA Community Chest Outreach Project at Tsatsi and Malakabeng Primary Schools in Zamdela, Sasolburg. The funding provided 491 monthly food parcels to approximately 1 964 individuals within child-headed and impoverished households. We also supported LUSA's Winter Warm Food Campaign, which contributed to providing food to approximately 320 children from various children's homes. Additionally, we contributed to the LUSA Wish-Upon-A-Star Project, which gifted 700 children with personalised, practical and worthy Christmas gifts.
- We partnered with the Komati Foundation, where tutors from the Wits School of Engineering, the Wits School of Education and the Wits School of Accountancy provided coaching in Mathematics, Physical Sciences and Accounting to Grade 10 and Grade 11 learners. During the year Komati was able to conduct 30 face-to-face sessions at Protea Glen Secondary School in Diepsloot which were attended by an average of 90 learners per session. The coaching included covering the syllabus for each grade, as well as monthly tests and examination preparation. A prize-giving ceremony was held at the end of the year to recognise the efforts made by all the learners.
- Safripol supported Umbilo Secondary and Fairvale Secondary Schools in Durban with stationery and we also erected a Clearview Fence Extension at Umbilo School to ensure extra security to the learners and the school property.

- We supported the Abbaquar San Dream Centre based in Wentworth, with window installations. The Abbaquar San Dream Centre is a community centre offering various youth development activities including ballet, music tuition, karate and a youth programme aimed at laying the groundwork for a brighter future for the Durban South Basin youth.

- Safripol supported the sustainable vegetable garden intervention in the De Deur area, which provided hands-on training through Reel Gardening to three ECD centres through the Kgothaleltso Community Organisation. The project's focus was to ensure that the centres can become self-sufficient and grow their own vegetables to provide meals to the learners. Follow-up support will be provided over the next few months to ensure the successful care and maintenance of the gardens.

Skills training and enterprises

Safripol provides learnerships, apprenticeships and internship training at our facilities, offer bursaries to our fenceline communities and also partner with small businesses who host learnership programmes, including vulnerable persons with disabilities. We also support YES, which is a joint initiative by the private sector and government to assist South Africa's youth to gain work experience.

Key highlights FY 2024

- 205 YES youth supported in small businesses mainly aligned with the circular economy in FY 2024, with 10 youth supported from our fenceline communities; 800 YES youth supported over the past four years.
- 36 learners, apprentices and interns (LAIs) hosted at our facilities, of whom eight were absorbed into permanent positions by Safripol, and two found external employment.
- 42 learners engaged in learnership programmes hosted in small businesses including 12 disabled learners, who found employment at their host company.
- 10 young adults in the Durban South Basin community completed a skills programme at a National Qualifications Framework Level 2 (NQF 2) at Wilbat FET College, of whom four found secured employment.
- Three community youth from Jacobs were supported with tertiary education bursaries for engineering and commercial studies.

Safripol ambassadors give back on Mandela Day

Our employees stepped out in true Safripol style to celebrate Mandela Day 2023 to lend a helping hand to the less fortunate, while spreading awareness about how we all can plastic responsibly. With the theme “Take Action, inspire change”, our volunteers gave more than just 67 minutes and came together to pack just under 2 500 each of snack packs and pencil cases filled with stationery. Our beneficiary schools were Umbilo Secondary School in Jacobs and Cedar Secondary School in Sasolburg.

The Safripol-branded pencil cases with the logo *Let’s Plastic Responsibly* were manufactured from locally sourced post-consumer recycled PET bottles by Virobag. Each case was made from a single 500 ml PET bottle, which means that **over 2 500 PET bottles were recovered and collected for recycling to produce the pencil cases**. During our 67 Minutes we addressed the learners and future leaders on LPR, the benefits of separation at source, and how recycling plastics can create jobs and reap financial rewards, while helping to conserve the environment.

Mandela Day
TAKE ACTION. INSPIRE CHANGE
Let’s plastic responsibly

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DISCLAIMER AND FORWARD-LOOKING STATEMENT

All statements other than statements of historical facts included in this report may be forward-looking statements. Forward-looking statements often use words such as, without limitation, “will”, “forecast”, “potential”, “estimate”, “expect”, “plan”, “anticipate” and words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty as they relate to future events and circumstances and are based on certain assumptions. As a consequence, readers must not place undue reliance on such statements. These forward-looking statements have not been reviewed or reported on by the group’s external auditors.

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