

Remgro
Limited

Climate
Report

2026

Climate

— highlights —



Published Remgro's **fourth Climate Report**, with climate-related disclosures informed by **emerging climate disclosure expectations**.



Completed a **climate maturity assessment** of selected investees to benchmark readiness and guide portfolio-wide climate resilience.



Delivered **climate scenario training** to the Management Board and investment managers and identified initial risk scenarios.



Developed a South Africa-specific **Current Policies climate scenario** to identify early warning signs for the portfolio.



Early indicators suggest that **climate change and energy** availability are the most material ESG risks to the portfolio.



Carbon reporting now covers **10 companies** (2025: 12) in the climate reporting boundary – more than **87.6% of INAV** (2025: 82%) with GHG emissions reported to the CDP since 2010.



Renewable energy use continues to grow across the portfolio, supported by power purchase agreements, solar infrastructure and energy efficiency initiatives.



Participated in the **RMB Cape water performance-based bond** – Africa's first nature-linked, outcomes-based bond.

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Executive — overview —

This is Remgro’s fourth Climate Report. It explains how climate-related matters are governed, how risks and opportunities are considered across the portfolio, and what the Remgro Baseline scenario indicates about possible future operating conditions. The report is structured with reference to recognised climate-disclosure frameworks, but does not claim compliance with, or alignment with IFRS S2.

The Remgro Baseline scenario is the Group’s first common reference case for considering how climate change could affect the portfolio. It assumes a future in which climate policies already in place continue, but further action is insufficient to meet the Paris Agreement goals – referred to in established climate scenario frameworks as a “Current Policies” pathway. Under this pathway, transition is delayed while physical climate impacts intensify.

The scenario was developed with specialist carbon advisors through targeted workshops, building on climate scenario training and an assessment of selected investees’ climate maturity. Recognised international physical- and transition-risk datasets and scenario frameworks were considered alongside South African policy, infrastructure and climate conditions over short-, medium- and long-term horizons. The analysis translated these inputs into plausible implications for investee operations, costs, supply chains, capital needs and resilience, as well as early-warning signals to support monitoring and engagement. It is not a forecast and does not quantify total portfolio value at risk.

Headline finding

The analysis indicates that climate change is unlikely to alter Remgro’s investment holding model fundamentally. However, it may affect investee operating models, cash flows, capital needs, insurance, supply chains and valuations. Portfolio resilience therefore depends partly on investee preparedness and the reliability of South Africa’s water, energy, transport and municipal infrastructure.

The most immediate exposures are water stress, extreme weather, agricultural volatility, carbon-related costs, electricity prices and infrastructure constraints. Climate-related opportunities include renewable energy, water and resource efficiency, climate-resilient products, circular business models and adaptation services.

Remgro has established climate governance, reporting and portfolio engagement processes, including board oversight, Environment, Social and Governance (ESG) integration, scenario training, greenhouse gas emissions (GHG) reporting and selected early-warning monitoring. Future work is expected to deepen investee scenario analysis and improve the financial assessment of climate-related risks and opportunities. Remgro’s participation in the RMB Cape water performance-based bond also illustrates how water security and climate resilience can be supported through innovative, nature-linked finance.



Climate

governance

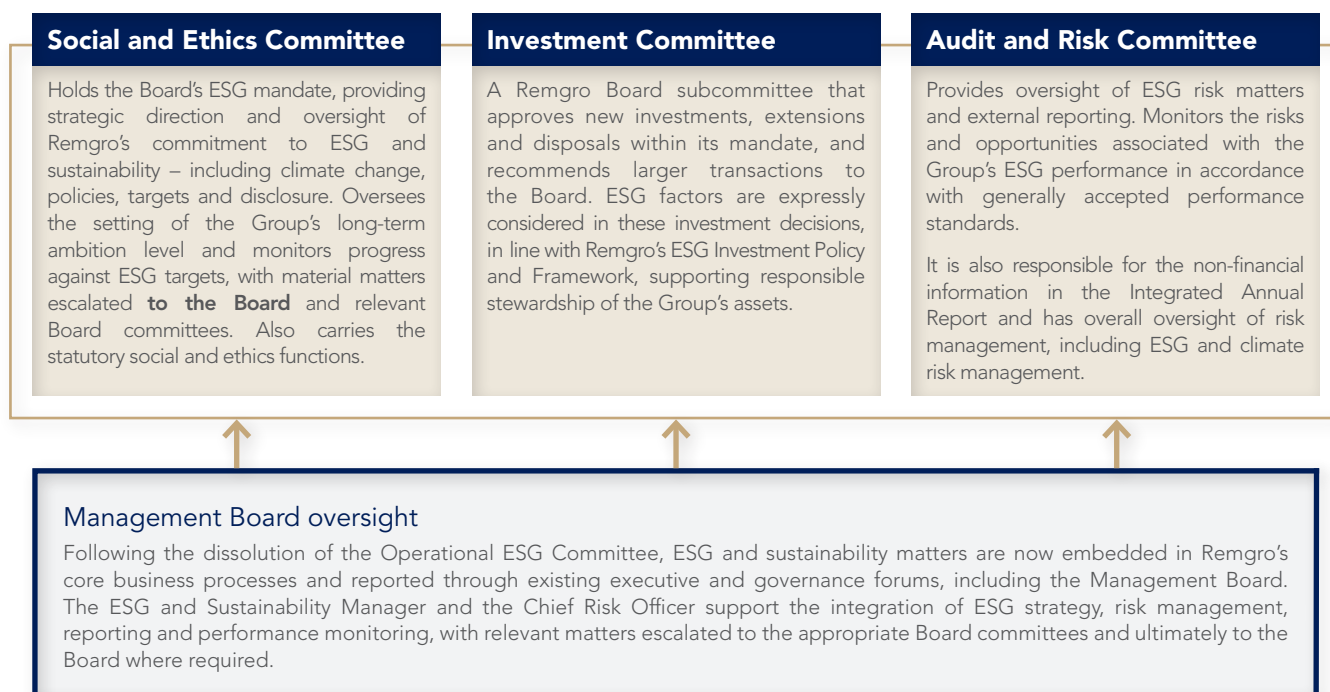
Board and committee oversight

The Social and Ethics Committee and Management Board oversee ESG and climate-related reporting. This oversight is supported by the Audit and Risk Committee, which oversees risk, reporting and assurance, and the Investment Committee, which considers ESG and climate matters where relevant to investment decisions.

Climate and ESG progress is reported regularly to the Management Board and Social and Ethics Committee, supporting governance oversight and executive decision-making.

The Operational ESG Committee was dissolved in June 2026 after completing its role in establishing foundational ESG governance structures and processes. As the programme has matured, the focus has shifted to embedding ESG into investment management, risk management, reporting and portfolio engagement.

Remgro Board, Management Board and Board subcommittees



Investee oversight and stewardship

Remgro engages with investee companies through board representation, shareholder engagement, management interaction and regular reporting. These channels provide insight into how material ESG and climate-related matters are governed and managed at investee level.

Investee companies remain responsible for their own operations, risks and strategies. Remgro supports appropriate practices through ongoing engagement, ESG integration in investment and ownership processes, and expectations on governance, risk management, data quality and reporting. In FY26, Remgro commissioned a climate maturity assessment of selected investees to inform future engagement and resilience work.

Climate risk within enterprise risk management

Climate change is assessed through Remgro's ESG risk framework and enterprise risk management system. The ESG Risk Register identifies climate change and energy as the most material ESG risk theme, followed by water and waste management. ESG risks at in-scope investees are reviewed annually and reported to the Audit and Risk Committee.

Climate-related

risks and opportunities

How the portfolio may be affected

Remgro's portfolio is concentrated in South Africa and spans sectors with different climate exposure. Climate-related developments may affect investee operations, input costs, insurance, capital needs, valuations and stakeholder expectations.

Climate conditions may affect investees directly, or through suppliers, infrastructure, customers, regulation and financial markets. The tables below summarise the main risks and opportunities without assigning unsupported likelihoods or financial values.

Physical risks

Physical climate impacts may be amplified by infrastructure vulnerability, including constraints in water, energy, transport and municipal services.

Risks	Climate driver	Potential business impact	Horizon
Water security	Lower or more variable rainfall, drought, declining runoff, ageing municipal infrastructure and water-quality pressures.	Production interruption; treatment, storage and sourcing costs; agricultural constraints; community impacts.	Short, medium and long term
Extreme rainfall and flooding	More frequent heavy rainfall in eastern regions, flash flooding and rising urban flood frequency.	Asset damage; business interruption; logistics and port disruption; higher claims and insurance costs; infrastructure access constraints.	Short, medium and long term
Heat	Rising average temperatures, more hot days and longer heatwaves.	Worker and patient safety pressures; cooling demand; agricultural and livestock impacts; datacentre and facility operating stress.	Short, medium and long term
Drought and agricultural volatility	Water deficits, multi-year drought and changing seasonal conditions.	Lower yields; input shortages; food-price inflation and procurement pressure; margin compression; potential need for irrigation and storage investment.	Short, medium and long term
Sea level rise and coastal exposure	Gradual sea level rise combined with coastal storms.	Pressure on ports and coastal infrastructure; increased adaptation requirements.	Medium and long term
Wildfire	More fire danger days in interior regions.	Asset and infrastructure damage, business interruption and insurance claims.	Short, medium and long term

Transition risks

Transition pressures, including regulation, carbon costs, market expectations and trade requirements, may create additional cost, competitiveness and reporting implications for investees.

Risks	Climate driver	Potential business impact	Horizon
Policy and carbon costs	Carbon tax, carbon budgets, emissions standards and possible future regulatory change.	Higher operating costs; capital allocation implications; exposure for carbon-intensive activities and supply chains.	Short, medium and long term
Trade measures	CBAM ⁽¹⁾ and carbon requirements in export markets.	Reduced competitiveness or market access for carbon-intensive exports; incentive for lower-carbon production.	Short, medium and long term
Energy transition	Electricity price increases, grid constraints, ageing coal infrastructure and technology change.	Energy cost and reliability pressure; need for alternative supply; potential stranded-asset exposure.	Short, medium and long term
Market change	Demand for lower-carbon and climate-resilient products, changing customer and investor expectations.	Changing product demand, procurement requirements, financing conditions and valuation assumptions.	Short, medium and long term
Disclosure and reputation	Increasing reporting expectations and scrutiny of climate response.	Higher reporting and assurance demands; possible stakeholder and social licence impacts.	Short, medium and long term

⁽¹⁾ CBAM = Carbon Border Adjustment Mechanism.

Climate-related

risks and opportunities (continued)

Climate-related opportunities

Climate pressures may also create opportunities for investees that improve resource efficiency, strengthen energy resilience, adapt products and services, or respond to changing customer and financing expectations. These opportunities are presented only where there is a clear climate-related link.

Opportunity area	Evidence-supported opportunity	Potential relevance
Resource efficiency	Water treatment, recycling, leak detection, energy efficiency, circularity and improved logistics.	May reduce exposure to constrained municipal supply and rising energy and material costs.
Renewable energy	Wheeling, distributed generation, storage and lower-emission energy sources.	May support energy resilience, Scope 2 reductions and competitiveness.
Products and services	Climate-resilient agriculture, adaptation services, water management solutions, low-carbon materials, efficient cooling and telemedicine.	May create new demand or strengthen existing offerings under changing conditions.
Markets and finance	Low-carbon exports, green finance and sustainability-linked products.	May improve access to selected markets and capital where credible performance is demonstrated.
Resilience	Diversification, resource substitution and climate-resilient supply chains.	May protect continuity and differentiate businesses able to operate reliably under climate stress.

Opportunity example: EXSA – enabling renewable energy access

Energy Exchange of Southern Africa Proprietary Limited (EXSA), a licensed renewable energy trader that is majority-owned by Remgro, enables companies to buy renewable electricity from independent power producers through wheeling across the national grid. EXSA received its NERSA trading license in 2022 and began trading in 2023.

Impact achieved to date

By mid-2026, EXSA had wheeled approximately 32 000 MWh of renewable electricity, avoiding an estimated 32 000 tonnes of CO₂e compared with grid-supplied electricity. Operational supply includes 4 MW of bagasse power and 5 MW of solar capacity. Corporate customers include Woolworths Proprietary Limited, Siqalo Foods Proprietary Limited (Siqalo Foods), Wispeco Holdings Limited (Wispeco), Mediclinic Holdings Limited (Mediclinic) and others.

Scaling renewable supply

EXSA is expanding its diversified renewable generation portfolio, with 25 MW of solar capacity expected in the near term and a 155 MW wind project targeted for commercial operation in 2027. This supports growing corporate demand for cost-effective renewable electricity and credible Scope 2 emissions reductions.

Strategic contribution

EXSA supports South Africa's shift to a lower-carbon electricity system by giving businesses access to renewable electricity without requiring on-site generation. For Remgro and its portfolio companies, it provides a scalable platform to support renewable energy adoption, energy resilience and measurable climate impact.

The following section considers scenario analysis and how these risks and opportunities may develop over relevant planning horizons. The aim is to support practical preparedness and more informed decisions over the short to medium term.

Scenario analysis

What is scenario analysis?

Scenario analysis does not predict what will happen. It considers a range of plausible climate conditions and how these could affect a business, helping to assess whether its strategy and business model remain resilient.

Rather than focusing on individual weather events, the analysis looks at how climate-related conditions may change over time and what those changes could mean for the portfolio.

Why Remgro uses climate scenarios

Remgro uses climate scenarios to explore how risks and opportunities may change over time. This helps inform portfolio discussions, engagement with investee companies and practical preparation for the short to medium term.

The Shared Socioeconomic Pathways (SSPs) describe five broad ways in which society, the economy and technology could develop. The framework positions these futures along two dimensions: the challenges they present for reducing emissions and the challenges they present for adapting to climate change. SSP2 sits at the centre of this framework, reflecting a future in which both challenges remain moderate. The SSPs are plausible pathways rather than forecasts, and no probability is assigned to any one pathway.

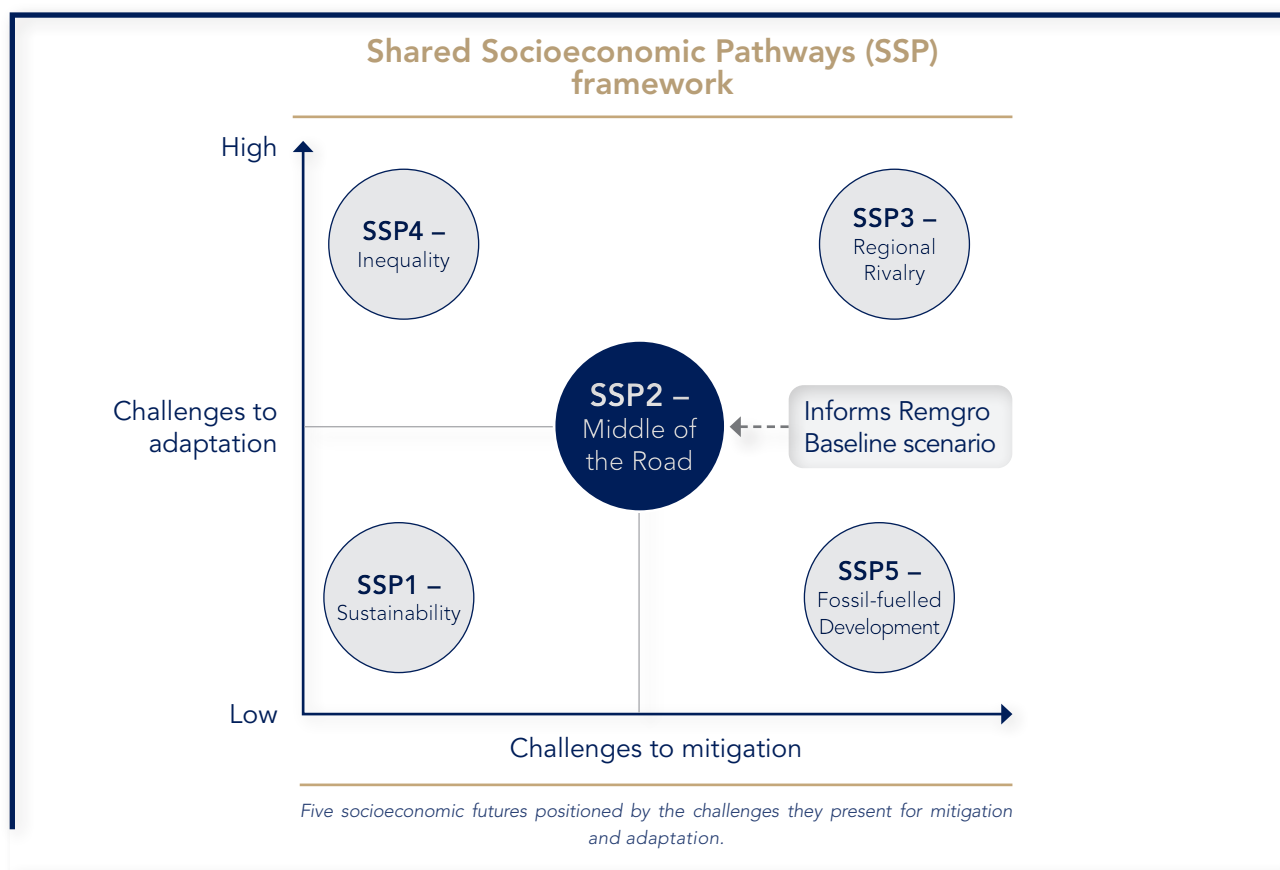


Figure: The five SSPs positioned according to the challenges they present for mitigation and adaptation. SSP2, “Middle of the Road”, is highlighted because it informs the socioeconomic assumptions used in the Remgro Baseline scenario.

For the Baseline scenario, Remgro used SSP2-4.5 as the principal physical-climate reference. SSP2 assumes that social, economic and technological trends broadly continue along historical patterns. The “4.5” refers to the approximate level of radiative forcing by 2100. This physical-climate pathway was considered alongside the NGFS Current Policies pathway for transition assumptions. The following section explains how these references were applied in Remgro’s analysis.

Scenario

— analysis (continued) —

The Remgro Baseline scenario

Remgro developed the Baseline scenario with specialist carbon advisors through targeted workshops, building on climate scenario training and an assessment of selected investees' climate maturity. The Baseline scenario uses a Current Policies pathway and considers short-, medium- and long-term horizons to understand how climate-related conditions could develop over time. For this report, however, Remgro's focus is on decision-relevant short- to medium-term implications through 2039; longer-term outputs are not used to define current priorities, actions or commitments.

Why the Current Policies scenario was selected

Remgro selected a Current Policies pathway as a proportionate starting point for its first sector-level scenario analysis. It provides a common reference point across a diverse portfolio and supports risk discussion, monitoring and investee engagement without predicting portfolio outcomes.

Element	Description
Scenario	Remgro Baseline scenario, using the Current Policies pathway informed principally by NGFS ⁽¹⁾ Current Policies and SSP2-4.5 ⁽²⁾ , often described as the "Middle of the Road" pathway.
Focal question	Could climate-related developments materially affect investees' operating environments, and would practical action, monitoring or engagement be useful today?
Policy assumption	Existing climate policies remain in force, without enough further action to meet the Paris Agreement goals.
Temperature pathway	Approximately 3°C of global warming by 2100 under NGFS Current Policies. SSP2-4.5 has a best estimate of approximately 2.7°C for 2081–2100 relative to 1850–1900.
Transition pathway	Investment allocation and the energy mix change slowly; transition risk is delayed rather than avoided.
Physical pathway	Critical temperature thresholds are exceeded, increasing chronic and acute physical risks.
South African context	Inequality, infrastructure stress and adaptation constraints may amplify climate impacts and South Africa is expected to experience warming above the global average.
Time horizons	The modelling considered short term to 2030, medium term from 2030 to 2039, and long term from 2040 to 2060. This report focuses on short- to medium-term implications through 2039.

⁽¹⁾ NGFS = Network for Greening the Financial System.

⁽²⁾ SSP2-4.5 = Shared Socioeconomic Pathway 2-4.5.

Important limitation

The Baseline scenario is one plausible future. It identifies exposure pathways and possible decision points, but does not predict a particular outcome or quantify total portfolio value at risk.

Scenario

— analysis (continued) —

Physical conditions assessed

The Baseline scenario considers how physical climate conditions may change over time and what this could mean for portfolio resilience. The assessment focuses on the main hazards identified and why they matter for investee operations, infrastructure and supply chains.

Assessment period	What was assessed	What the analysis indicates	Why it matters
Short to medium term (2020–2039)	Temperature, rainfall, water availability, sea level, heatwaves, flooding and drought.	Average warming of 0.8–1.3°C by 2040; an approximate 17% water supply deficit by 2030; heavier rainfall in eastern provinces; more frequent heatwaves and drought conditions.	Operational continuity becomes more dependent on water, resilient logistics and infrastructure. Agriculture, food production, healthcare, insurance and infrastructure may face higher disruption and cost pressure.
Long term (2040–2060)	The same hazards over a longer horizon, including wildfire and stronger regional divergence.	Average warming of 1.5–2.1°C by 2050, with higher inland warming; chronic urban water stress; more frequent major floods in the east; recurring drought risk in the Western Cape; more high fire danger days.	Chronic stress may require greater adaptation, alter agricultural suitability, increase cooling and water needs, and place additional pressure on ports, municipalities and other infrastructure.

Note: Long-term physical conditions were modelled to provide context, but are not part of the report's current short- to medium-term focus.

Key takeaway: Water stress, heat, flooding and infrastructure dependence are the key physical issues for the portfolio over the short to medium term. They may affect water availability, agriculture, logistics, facilities and insurance costs.

Transition conditions assessed

Transition conditions were assessed to understand how policy, market, technology, energy and trade developments could affect investees over time. Under the Baseline scenario, transition risk is delayed rather than avoided, so cost, competitiveness and capital pressures may build gradually.

Horizon	What the analysis indicates	Potential portfolio implications
Short term: 2026–2030	Higher carbon and electricity costs; CBAM exposure; grid and logistics constraints; water and agricultural pressure; policy uncertainty.	Cost and competitiveness pressure, especially for energy- and carbon-intensive activities; greater attention to energy, water and supply-chain resilience.
Medium term: 2030–2039	Broader climate regulation; reduced carbon tax allowances; full CBAM phase-in; more infrastructure disruption; land, ecosystem and water degradation; higher insurance and health-system pressure.	Potential changes to export access, capital needs, insurance availability, food value chains, infrastructure reliability and customer affordability.
Long term: 2040–2060	Possible stronger policy response after delayed action; continued infrastructure pressure; stranded-asset risk; persistent economic and social pressure; greater water, food and ecosystem constraints.	Greater potential for portfolio-wide effects on operations, demand, financing, asset values and resilience. Results are exploratory, not quantified portfolio forecasts.

Note: Long-term transition conditions were modelled to provide context, but are not part of the report's current short- to medium-term focus.

Key takeaway: Transition risk is delayed rather than avoided under the Baseline scenario. Carbon costs, trade-related requirements, energy reliability, market expectations and disclosure obligations may become more important over time, particularly for energy-intensive, export-linked and infrastructure-dependent investees.

Scenario

— analysis (continued) —

Investee scenario analysis examples

Investee example: RCL Foods – sugar business climate risk analysis

RCL Foods Limited's (RCL Foods) Sugar business unit relies on predictable rainfall, secure irrigation water and reliable energy supply, making it particularly exposed to both physical and transition climate risks. To understand the scale of that exposure, RCL Foods completed an IFRS S2-aligned climate risk analysis, modelling three scenarios to 2050: A Greener Tomorrow, A World of Compromise and The World We Lost, spanning outcomes from rapid global decarbonisation to a high-emissions future.

The analysis indicates that rising temperatures, declining rainfall and more frequent extreme weather could materially increase irrigation requirements and reduce sugarcane yields if additional water cannot be secured. By 2050, unmitigated physical risks such as increased temperature and declining rainfall could result in annual revenue losses of approximately R200 million to R300 million. Transition risks are potentially more significant, with coal phase-out legislation creating exposure of up to R5.1 billion per annum under the most ambitious decarbonisation pathway, alongside substantial carbon tax and electricity-related costs. Under the high-emissions scenario, transition risks are lower, but climate-driven social and resource pressures, including social unrest, become increasingly material.

In response, RCL Foods has identified priority actions including improving irrigation efficiency, adopting soil moisture conservation practices, securing additional water supply and reducing reliance on coal through efficiency improvements and fuel switching. The analysis also establishes trigger points that connect investment decisions to observable climate, policy and market signals, enabling earlier and more targeted adaptation responses.

Investee example: Mediclinic – climate scenarios and enterprise risk management

Mediclinic has used climate scenarios to assess resilience across its operating geographies. The work considered region-specific physical and transition risks, including water scarcity, heat, flooding, carbon tax exposure, emerging climate legislation and opportunities linked to renewable energy, water efficiency and sustainability-linked finance.

The analysis demonstrates a structured approach to embedding climate considerations into enterprise risk management. It also highlights the next area of work: translating identified climate exposures into clearer financial implications where data and methodology allow.

Following the restructuring of Remgro's interest in Mediclinic in July 2026, Remgro holds 100% of the Southern African business and 50% of Mediclinic Middle East. The Swiss operations are no longer part of the Remgro portfolio.

The scenario findings are most useful when they are translated into what they may mean for Remgro and its investee companies. The following section therefore considers the implications for portfolio resilience, recognising both the capabilities already in place and the areas where climate understanding and preparedness can continue to mature.

Implications

— for resilience —

What the scenario indicates for Remgro

The Baseline scenario indicates that climate risk could be transmitted across the portfolio through four interconnected channels: direct physical disruption; infrastructure and supply-chain failure; transition costs and market change; and wider economic and social pressure. These channels may affect investees differently, but they can also reinforce one another.

Resilience theme	Investee-provided examples
Water resilience	Investee-provided examples indicate practical water-resilience activity across the portfolio. RCL Foods has identified irrigation efficiency, soil-moisture conservation and additional water supply as priority actions. Other examples include Wispeco's seven-day water storage backup, Rainbow Chicken Limited's (Rainbow) water recycling programmes, RCL Foods' on-site boreholes and emergency tankers, Siqalo Foods' water roadmap, and Heineken Beverages Holdings Limited's (Heineken Beverages) participation in a national water balance initiative.
Infrastructure dependence	The portfolio depends on reliable electricity, water, transport, port, road and municipal services. The Baseline scenario reinforces the need to monitor these dependencies and engage with investees where infrastructure constraints may affect operational continuity, cost or resilience.
Supply chain resilience	Food, industrial, healthcare and consumer businesses may face input shortages, logistics delays, agricultural volatility and higher procurement costs. RCL Foods' Sugar business scenario analysis provides a clear example of how a food system exposure can be assessed in more detail, including physical risks, transition costs and practical adaptation responses.
Financial resilience	Portfolio-wide financial impacts are not yet quantified. However, investee-level examples such as RCL Foods demonstrate that financial effects can be material and can differ between physical and transition pathways. Mediclinic's work also illustrates a structured approach to embedding climate scenarios into enterprise risk management before financial quantification is completed.
Governance and preparedness	Investee climate preparedness is developing across the portfolio. In FY26, selected investees were reviewed to understand climate maturity, with RCL Foods and Mediclinic providing more developed scenario analysis examples and other investees demonstrating practical operational responses to specific risks.
Opportunity capture	EXSA illustrates a practical climate-related opportunity through renewable electricity wheeling, which can support access to renewable electricity and Scope 2 emissions reductions. Other opportunity areas include energy efficiency, water efficiency, climate-resilient products and green finance.

Implications

— for resilience (continued) —

Early-warning indicators

The Baseline scenario analysis identified early-warning indicators that may signal a material change in the operating context, particularly where policy, infrastructure, physical climate, financial and social pressures interact. These indicators are not forecasts but may prompt earlier analysis and engagement with affected investees.

Signal area	Early-warning signal	Potential implication
Policy and regulatory shocks	Abrupt carbon tax increases, full CBAM implementation, major policy reversals or weakening of just transition pathways.	Changes in costs, market access, investment requirements, power reliability and transition uncertainty.
Infrastructure failure	Water supply disruptions, persistent electricity disruption, worsening freight and port constraints, municipal service failure or repeated “Day Zero” events.	Operational interruption, supply-chain disruption, access to water supply, higher resilience costs and reduced export access.
Physical climate thresholds	More frequent or severe droughts, floods and heatwaves, or water stress that exceeds regional or sectoral adaptive capacity.	Asset damage, production losses, agricultural disruption, health impacts and business continuity pressure.
Economic and financial stress	Rising climate-related losses, reduced insurance availability, higher risk premiums or growing stranded-asset exposure.	Higher financing and insurance costs, asset value pressure, lower returns and increased financial instability.
Social and governance pressure	Rising food insecurity, health-system strain, inequality or social instability.	Pressure on business continuity, workforce productivity, governance effectiveness and stakeholder relationships.

Overall resilience assessment

Remgro's portfolio benefits from established governance structures, ESG integration, active stewardship, risk monitoring, GHG reporting and selected early warning monitoring. These capabilities provide a platform for strengthening climate resilience over time. Current evidence shows practical examples in three areas: water risk management by selected investees, more detailed scenario analysis by RCL Foods and Mediclinic, and renewable electricity access through EXSA.

Remgro recognises that climate resilience will continue to mature across the portfolio and may differ by sector, geography and investee readiness. Given South Africa's broader infrastructure context, continued focus will be required on physical and transition risks, particularly water, energy, transport and municipal service constraints. Future work is expected to focus on deeper scenario analysis, improved value-chain insight, more decision-useful metrics and stronger financial assessment of material climate-related risks and opportunities.

Overall, Remgro has established a sound foundation for climate-related oversight and portfolio engagement. The Group will continue to work with its investee companies to build preparedness, support adaptation and strengthen long-term resilience in a practical and measured way.

Building climate preparedness

— across the portfolio —

Climate change brings both risks and opportunities for the companies in Remgro's portfolio. Remgro's approach is to build a clearer understanding of what matters most, what it could mean for the portfolio and where further engagement may be useful. This work builds on existing governance, risk, stewardship and reporting processes rather than creating a separate climate strategy.

Indicative climate risk maturity pathway

Remgro's decentralised model means that investee companies manage their own climate-related matters and will progress at different rates, reflecting their sectors, size, exposure and readiness. The pathway below illustrates how climate risk capability could develop across the portfolio. It is not a formal implementation plan, and the relevance and sequencing of each stage may differ by investee.



Remgro can support this progress by providing a common portfolio view, practical guidance and access to specialist input, while leaving room for each investee to tailor its approach. As the work develops, there may be value in extending scenario analysis (i.e. adding SSP1 – Sustainability and/or SSP3 – Regional Rivalry), using more consistent risk categories and time horizons, and strengthening financial assessment where the data allows. This could gradually bring Remgro's top-down portfolio view and investees' bottom-up assessments closer together.

Existing actions and capabilities

Selected investees are also building their own climate scenario capabilities. RCL Foods and Mediclinic provide examples of more developed investee-level analysis, while other investees are at earlier stages of preparation. This supports a proportionate and phased approach to portfolio preparedness, recognising that climate maturity and scenario analysis experience vary across the portfolio.

Existing action or capability	How it supports climate management
Board and committee oversight	Provides governance of climate impacts, risk, reporting, assurance and investment decisions, supported by regular ESG and climate-related reporting to the relevant board and committee structures.
Climate and ESG in investment analysis	Remgro is considering how climate and ESG matters can be reflected more consistently in investment analysis and portfolio monitoring where material and relevant to the investment case.
Investee engagement and stewardship	Investment managers communicate expectations and monitor progress through board representation or formal stewardship channels. Constructive engagement is supported on scenario analysis, water risk management, GHG reporting and future target setting considerations.
Scenario training and investee analysis	Executive committee members, investment managers, risk and sustainability functions have received structured exposure to climate scenario analysis. RCL Foods and Mediclinic provide examples of more detailed investee-level scenario analysis, supporting portfolio learning and a phased approach to building resilience capability.
Investee maturity assessment	A selected FY26 deep dive assessed governance, strategy, risk management, metrics and targets, helping identify where investee climate capability is developing and where further engagement may add value.
Early warning indicator monitoring	Monitoring focuses on policy and regulatory shocks, infrastructure failure, physical climate thresholds, economic and financial stress, and social and governance pressure. These signals may support earlier analysis and engagement where changing conditions could affect investee operations or value.
GHG reporting and data systems	Remgro reports GHG emissions, applies a PCAF attribution approach and uses an ESG tool to support data collection and reporting. Investee-provided data from participating companies supports more consistent measurement and provides a basis for future engagement.
Renewable electricity platform	EXSA provides wheeled renewable electricity to corporate customers, illustrating a practical climate-related opportunity within the portfolio.
Nature-linked finance participation	Remgro's participation as an outcomes-based funder in the RMB Cape water performance-based bond, through its CSI fund contribution of R25 million, illustrates how water security and climate resilience can be supported through innovative, nature-linked finance.

Building climate preparedness

— across the portfolio (continued) —

Selected investee adaptation measures

Selected investees are taking practical steps to manage climate-related pressures where these affect business continuity, water availability, energy reliability or regulatory exposure. The examples below illustrate areas of developing preparedness; they are not presented as a complete portfolio adaptation plan.

Adaptation or preparedness area	Investee-provided examples	Positive interpretation
Water resilience	RCL Foods has identified irrigation efficiency, soil moisture conservation and additional water supply as priority actions. Other examples include Wispeco's seven-day water storage backup, Rainbow's water recycling programmes, RCL Foods' on-site boreholes and emergency tankers, Siqalo Foods' water roadmap, and Heineken Beverages' participation in a national water balance initiative.	These actions indicate that water-related risks are being translated into practical operating responses where they are most relevant to business continuity and resilience.
Agriculture and food systems	RCL Foods' Sugar business analysis considers rainfall, irrigation water, reliable energy supply, sugarcane yields, transition costs and trigger points for investment decisions.	This provides a constructive example of how a climate-exposed food system business can use scenario analysis to support more targeted adaptation and transition planning.
Healthcare resilience	Mediclinic has tested business resilience using IPCC-grounded climate scenarios across short-, medium- and long-term horizons, with attention to water scarcity, heat, sandstorms, flooding, carbon tax exposure, emerging climate legislation and sustainability-linked finance.	This illustrates how an investee providing essential services can embed climate considerations into enterprise risk management and identify the next areas for deeper financial assessment.
Reporting and data quality	Participating investees provide GHG data for Remgro's reporting boundary, supported by PCAF attribution. Reporting coverage, Scope 3 completeness and verification status vary across investees, and comparability may be affected as the reporting boundary and data quality improve over time.	Improving data quality is an important foundation for credible climate management, target setting, assurance readiness and more decision-useful portfolio engagement.

Areas identified for consideration

The following areas may inform future engagement, analysis and portfolio-level climate preparedness, subject to relevance, data availability, investee circumstances and approval where required.

- **Financial assessment and data quality:** quantifying material climate-related financial effects, portfolio value at risk and the quality of underlying investee data.
- **Governance and oversight:** developing practical guidance for Remgro-nominated directors and supporting more consistent consideration of material ESG and climate-related matters at investee board level.
- **Scenario analysis and stress-testing:** broadening scenario analysis across selected investees, value chains and plausible climate pathways, with focus on the risks and investees with the highest potential financial impact.
- **Transition planning:** encouraging more consistent target-setting and considering tools such as internal carbon pricing where appropriate and supported by investee circumstances.

Climate-related

metrics

Reporting boundary and methodology

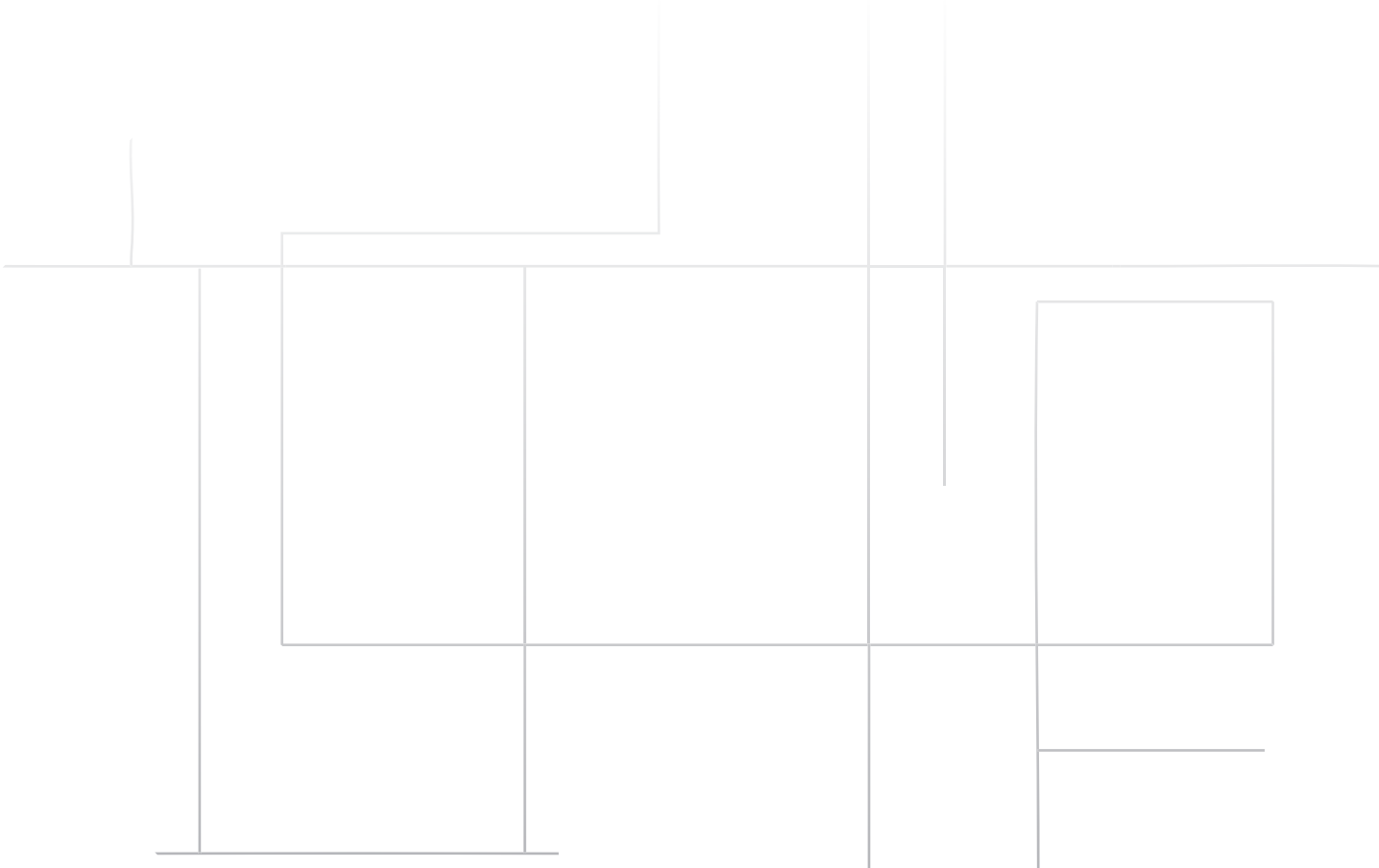
Remgro aims to maintain year-on-year GHG reporting coverage above 80% of intrinsic net asset value (INAV). The companies currently included in the reporting boundary represent 87.6% of INAV and comprise Remgro at the centre, separately operated controlled subsidiaries and significantly controlled equity-accounted investments.

- **Remgro at the centre:** Remgro Management Services Limited (RMS), including head office and other facilities.
- **Subsidiaries and separately operated controlled subsidiaries:** Siqalo Foods, Wispeco, RCL Foods, Rainbow and Stellenbosch Academy of Sport Proprietary Limited (SAS).
- **Selected equity-accounted investments over which Remgro has significant influence or joint control:** Mediclinic, Heineken Beverages, OUTsurance Group Limited (OUTsurance Group), Community Investment Ventures Holdings Proprietary Limited (CIVH) and Air Products South Africa Proprietary Limited (Air Products).

Remgro has reported its greenhouse gas emissions to CDP (formerly the Carbon Disclosure Project) since 2010 and continues to expand environmental reporting across the portfolio on a materiality basis. As a diversified investment holding company, Remgro’s investee companies operate in different sectors, have different ownership structures and have varying environmental impacts. The Group’s aim is to account for the majority of its portfolio, including businesses with the largest environmental footprints, within its environmental reporting boundary over time.

Remgro applies the principles of the Partnership for Carbon Accounting Financials (PCAF), as recommended by the GHG Protocol. Under this approach, investee companies’ Scope 1 and Scope 2 emissions are attributed to Remgro according to its percentage share of each investee’s Enterprise Value Including Cash (EVIC). Where available, Scope 3 emissions are also included in the attributed footprint in accordance with PCAF guidance. These emissions are reported separately from Remgro’s own operational emissions as Scope 3 Category 15 investments.

Remgro’s 2026 CDP submission was filed in September and was based on the 2025 emissions inventory, reflecting the different financial year-ends of companies in the portfolio. For Remgro’s 2026 reporting period, the consolidated PCAF carbon footprint report is expected to be verified by an independent third-party verifier. As the reporting boundary expands, year-on-year comparability may be affected by the inclusion of additional investee data, changes in data quality and the status of external verification.



Climate-related

metrics (continued)

GHG emissions

The following tables present Remgro's GHG emissions information for Remgro at the centre and participating investee companies within the reporting boundary.

Remgro GHG emissions inventory in tonnes of CO₂e

		2026	2025 Restated ⁽¹⁾	2025
Scope 1	Stationary fuel	26	17	17
	Mobile fuel	552	502	2 270
	Self-generated energy	— ⁽²⁾	—	—
	Total Scope 1	577	519	2 287
Scope 2 (market-based)	Grid electricity	1 187	1 165	1 971
	Total Scopes 1 and 2	1 765	1 684	4 258
Scope 3	1. Purchased goods and services ⁽³⁾	14	10	17
	3. Fuel- and energy-related activities	463	451	1 043
	6. Business travel	1 025	988	988
	15. Investments (PCAF)	2 488 425	1 946 404	1 928 999
	Total Scope 3	2 489 927	1 947 852	1 931 047
Outside of Scopes ⁽⁴⁾		0.15	—	—
Grand total		2 491 692	1 949 537	1 935 305

⁽¹⁾ Restated to remove SAS and one Falconair jet used exclusively by Richemont (i.e. not under Remgro operational control).

⁽²⁾ Relates to 146 414 kWh on-site solar PV generated at Millennia Park and 63 035 kWh generated at Fleur du Cap, where emissions are zero.

⁽³⁾ Relates to municipal water supply and office paper only.

⁽⁴⁾ Biogenic emissions from biofuel blend.

Investee GHG emissions by scope in tonnes of CO₂e (Reported at 100%)

Entity	Reporting period	Scope 1		Scope 2 (market-based)		Scope 3 ⁽¹⁾		Outside of Scopes	
		2026	2025	2026	2025	2026	2025	2026	2025
Air Products	FY25	58 986	61 351	1 047 118	1 096 540	N/R	N/R	N/R	N/R
CIVH	FY26	4 732	4 539	18 951	13 885	N/R	143	N/R	N/R
Heineken Beverages	CY25	87 018	70 926	0	6 134	17 071	N/R	N/R	N/R
Mediclinic	CY25	34 673	34 276	143 519	146 818	99 693	97 889	3 077	3 578
OUTsurance Group	FY26	1 127	801	6 879	8 366	6 039	5 825	— ⁽²⁾	—
Rainbow	FY26	167 584	156 408	221 520	224 051	27 728	N/R	N/R	N/R
RCL Foods	FY25	309 007	526 316	418 057	621 687 ⁽⁴⁾	1 425 950	N/R	815 833	N/R
SAS ⁽³⁾	FY26	0.36	N/R	813	806	241	244	N/R	N/R
Siqalo Foods	FY26	8 508	14 608	20 762	17 439	4 894	4 708	17 331	15 165
Wispeco	FY25	14 892	14 633	28 025	29 398	26 141	22 497	N/R	N/R

⁽¹⁾ Investees reported varying levels of completeness.

⁽²⁾ Included in Scope 1.

⁽³⁾ Included after publication of prior year report.

⁽⁴⁾ Since restated by RCL Foods to 663 587 tCO₂e.

N/R Not reported and/or relevance not determined.

Climate-related

metrics (continued)

Remgro's portion of investee companies' GHG emissions in tonnes of CO₂e

Entity	Reporting period	Emissions Contribution (100%) ⁽¹⁾		Remgro PCAF portion ⁽²⁾		EVIC ⁽³⁾	
		2026	2025	2026	2025	2026	2025
Air Products	FY25 (Oct 24 – Sep 25)	1 106 104	1 157 892	533 156	577 599	48%	50%
CIVH	FY26 (Apr 25 – Mar 26)	23 683	18 567	7 306	5 983	31%	32%
Heineken Beverages	CY25 (Jan 25 – Dec 25)	104 089	77 060	15 297	11 122	15%	14%
Mediclinic	CY25 (Jan 25 – Dec 25)	277 885	278 983	94 224	94 463	34%	34%
OUTsurance Group	FY26 (Jul 25 – Jun 26)	14 044	14 993	4 229	4 516	30%	30%
Rainbow	FY26 (Jul 25 – Jun 26)	416 832	380 459	317 140	285 340	76%	75%
RCL Foods	FY25 (Jul 24 – Jun 25)	2 153 014	1 148 003	1 413 955	795 329	66%	69%
SAS ⁽⁴⁾	FY26 (Jul 25 – Jun 26)	1 054	1 051	1 054	1 051	100%	100%
Siqalo Foods	FY26 (Jul 25 – Jun 26)	34 163	36 755	33 658	36 169	99%	98%
Wispeco	FY25 (Jul 24 – Jun 25)	69 059	66 528	68 405	65 923	99%	99%
Total				2 488 425			

⁽¹⁾ Includes Scope 1, Scope 2, Scope 3 at 100% as reported per investee.

⁽²⁾ Includes PCAF portion of emissions contribution calculated using EVIC percentage per investee.

⁽³⁾ EVIC = Enterprise value including cash.

⁽⁴⁾ Included after publication of prior year report.

GHG reduction targets

Remgro has not set quantified emissions-reduction targets for its operations or portfolio. While the Group has expressed an ambition to support carbon neutrality, the report does not present this as a quantified target or formal future commitment. Remgro continues to engage with investee companies on their own emissions-reduction plans and related climate actions.

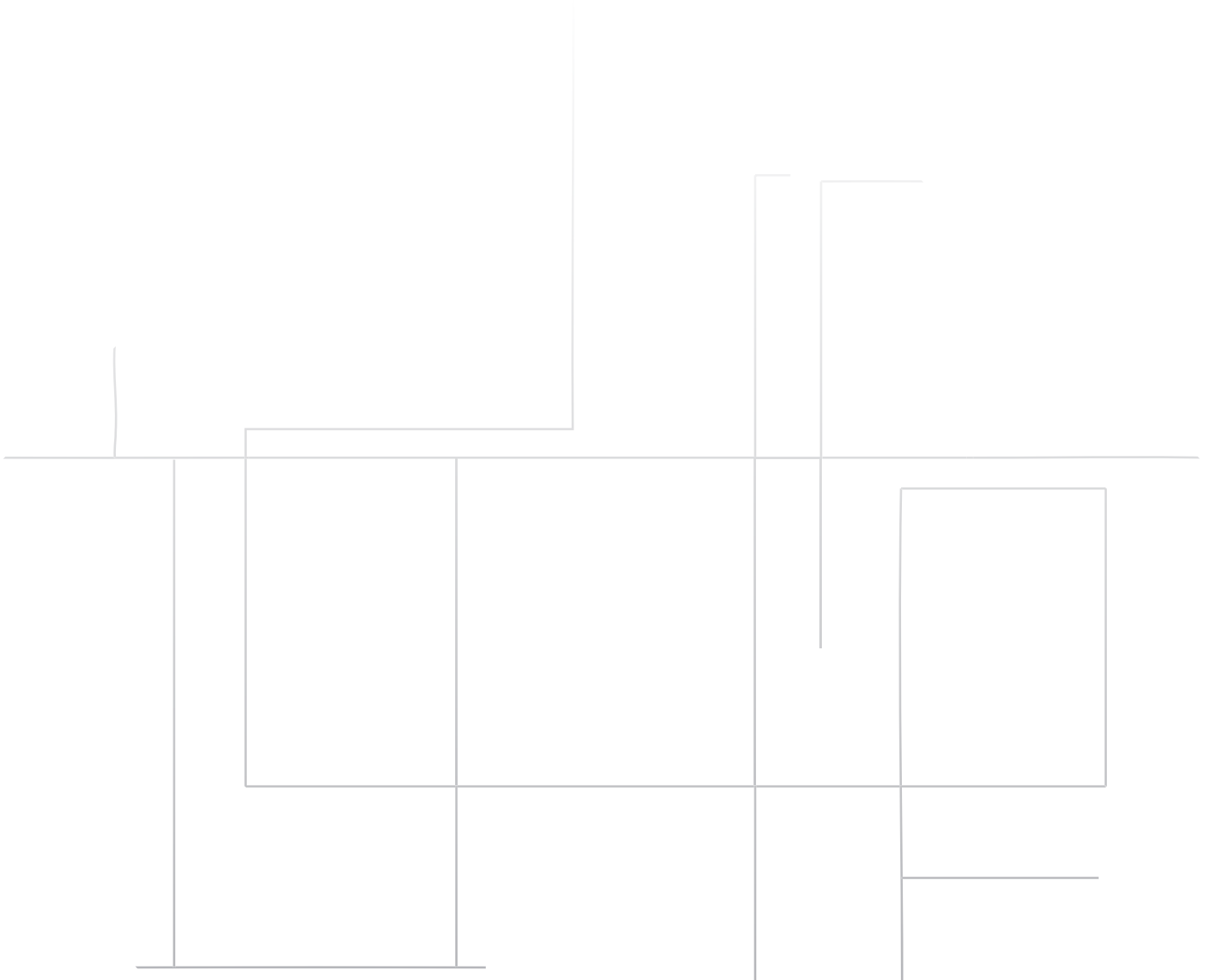
Investee	GHG reduction plan	Energy-efficiency targets	Comments
Air Products	Yes	No	Targets a 33% reduction in GHG emissions by 2030 and net zero by 2050. A 75 MWh solar PV plant is under construction. Maximum demand and plant configuration are reviewed monthly for the on-site business unit.
CIVH	Yes	Yes	Internal energy consumption and emissions reduction targets are in place.
Heineken Beverages	Yes	Yes	Targets net zero in production by 2030 and across the value chain by 2040. An annual energy efficiency target is also in place.
Mediclinic	Yes	Yes	Targets carbon neutrality, with a focus on eliminating Scope 2 emissions through renewable or clean energy and reducing consumption through behavioural change and energy-efficient technology.
OUTsurance Group	Yes	No	Ambition to reach net zero Scope 1 and Scope 2 emissions by 2050, with a 50% emissions-intensity reduction by 2030 against a 2018 baseline.
Rainbow	Yes	Yes	A carbon reduction programme includes renewable energy, energy efficiency, waste-to-value technologies and resource optimisation. Quantified GHG targets are being developed from the emissions baseline and first standalone carbon report. Business units manage formal energy reduction targets against budget; efficiency gains were offset by higher volumes.
RCL Foods	No	Yes	Supports a timely and just transition to a net zero economy.
Siqalo Foods	Yes	In development	Its sustainability strategy addresses ten material issues, including energy management and GHG emissions.
Wispeco	In development	No	A GHG mitigation plan aligned with carbon tax amendments is being developed. Target setting will follow once metering data is sufficiently reliable.

Conclusion

The Baseline (Current Policies) scenario indicates that climate change may affect Remgro's portfolio through water stress, heat, drought, flooding, agricultural volatility, infrastructure disruption, energy and carbon costs, trade measures and broader economic pressure. These effects are likely to differ by sector and geography, and some may reinforce one another.

The analysis does not forecast a single outcome or quantify total portfolio value at risk. It does, however, identify decision-relevant exposures and highlights the importance of integrating climate considerations into investment analysis, enterprise risk management and stewardship. Remgro's existing governance, due diligence, engagement, data and monitoring processes provide a foundation for this work.

From a resilience perspective, the most relevant issues are investee preparedness, dependence on critical infrastructure and supply chains, adaptation to water and physical climate stress, and a deeper understanding of financial exposure to transition and physical risks. Future work may include broader scenario coverage and further financial quantification, where relevant and supported by available data.



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