



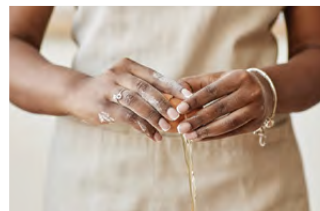
# Premier

Growing Together

## INTEGRATED ANNUAL REPORT

for the year ended 31 March 2025

# 2025



# About the report

*Our 2025 integrated annual report aims to provide concise yet holistic information regarding Premier's business model, governance processes, material risks and strategy. It is designed to give users of the report insight as to how Premier creates value whilst minimising the risk of value erosion. This report should be read in conjunction with our annual financial statements, available on the Premier website at [www.premierfmcg.com](http://www.premierfmcg.com).*



## Scope of the report

Our integrated annual report (IAR) provides material information for the financial year ending 31 March 2025. It covers the Group's holding company and various subsidiaries, focusing on the main operations and activities that contribute to our performance.

While Premier operates primarily in South Africa, this report also provides information on Group operations in Eswatini, Lesotho, Mozambique and the United Kingdom. The B-BBEE assessment excludes all non-South African companies and operations.

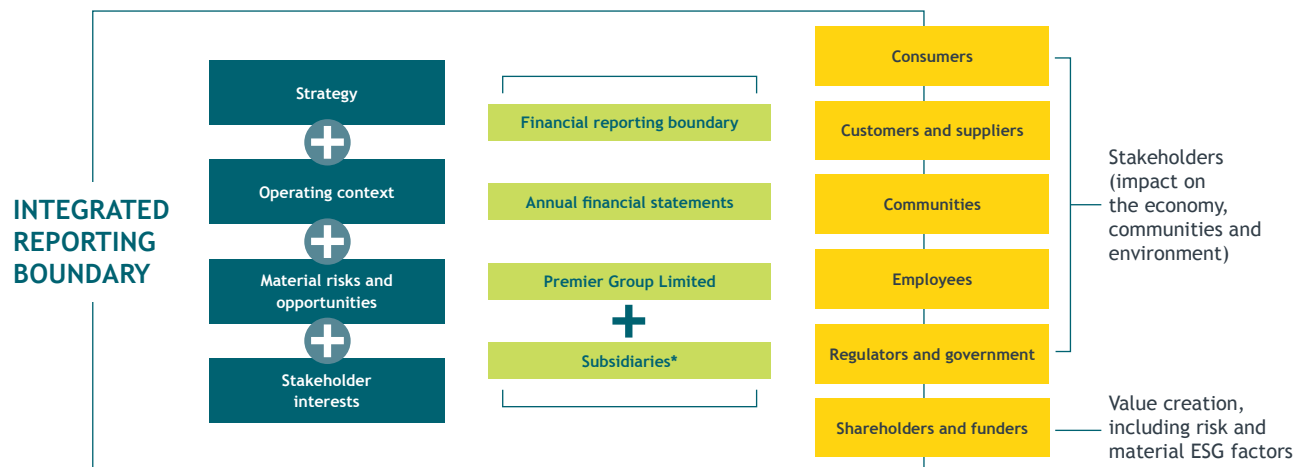
## Boundary of the report

This report is aimed primarily at providers of financial capital to inform and support their long-term capital allocation decisions. However, the boundary of this report extends beyond the Group to provide parallel disclosures on the Group's material impacts on people, society and the environment. Our IAR covers the material risks and

opportunities arising from our strategy and operating context and includes insight into the quality of our relationships with key stakeholders, whose interests bear upon the Group's ability to create value. Accordingly, this report should be of interest to all stakeholders seeking to be informed about Premier's capacity to create and preserve value over time.

## APPROACH TO MATERIALITY

A matter is considered material if it has the potential to significantly impact the Group's capacity to create and preserve value over the short, medium and long term. The Board and executive management are confident that this report covers all material qualitative and quantitative disclosures. Engagement with our stakeholders, as outlined on pages 37 to 41, feedback from our various business units and the executive committee, as well as our detailed risk management process, highlighted on pages 42 to 51, assisted the Board in identifying the material matters addressed in this report. These material matters continue to inform our strategy, which is detailed on pages 52 to 62.



\* For a detailed list of subsidiaries, refer to note 38 of the consolidated annual financial statements.

## About the report continued

### Reporting frameworks

Our reporting process complies with the regulatory requirements contained in the:

- South African Companies Act, No. 71 of 2008 (as amended) (**Companies Act**).
- King IV Report on Corporate Governance™<sup>1</sup> for South Africa 2016 (**King IV**).
- International Financial Reporting Standards (IFRS) accounting standards, developed and maintained by the International Accounting Standards Board (**IASB**).
- JSE Limited Listings Requirements (**JSE Listings Requirements**).

To the extent possible, this report also adheres to the recommendations and guidelines set out in the:

- International <IR> Framework.
- JSE Sustainability Disclosure Guidance.

The Group aims to ensure full compliance with the International <IR> Framework as it matures as a listed entity.

<sup>1</sup> Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

### Assurance

Premier has adopted a combined assurance model that facilitates a coordinated approach to all assurance and governance activities. Together with our risk management practices, this enables an effective control environment and supports the integrity of information used for internal decision-making and external reporting.



REPORTING	ASSURANCE
<b>INTEGRATED ANNUAL REPORT</b>	The IAR has been reviewed and approved by the Board and senior management. No external assurance has been conducted on the report.
<b>ANNUAL FINANCIAL STATEMENTS</b>	PricewaterhouseCoopers Inc. (PwC), our external auditors, issued an unmodified opinion on the annual financial statements (AFS), from which extracts have been included in this report. The audit was conducted in accordance with International Standards on Auditing. The scope of the audit was limited to the information set out in the AFS and does not extend to the content of the IAR.
<b>SUSTAINABILITY REPORTING</b>	The Social and Ethics Committee has reviewed and approved the sustainability disclosures included in this report.  Our internal audit team provided assurance over the integrity of the data collection procedures, selected metrics and qualitative information.  Audit BEE provided external verification of our B-BBEE activities.

### Forward-looking statements

This report contains certain forward-looking statements based on the beliefs or expectations of Premier's directors and other members of its executive and senior management. These include statements about, amongst others, future performance and prospects. Forward-looking statements are based on current views and assumptions and involve known and

unknown risks, uncertainties and other factors. Consequently, no guarantee or assurance can be given that forward-looking statements will prove to be accurate, and stakeholders are advised not to place undue reliance on them.

### Board responsibility and approval

The Board acknowledges its responsibility of ensuring the integrity of the IAR which, in the Board's opinion, addresses all material matters, fairly presents the integrated performance of the Group and offers a balanced view of Premier's strategy and how it translates into value creation in the short, medium and long term.

The IAR is prepared by members of executive and senior management under the oversight of the Audit and Risk Committee, mandated to ensure the integrity of the information included therein. On the recommendation of the Audit and Risk Committee, the Board approved the IAR on 22 July 2025.

#### I van Heerden

*Chairman*

#### JJ Gertenbach

*Chief Executive Officer*

#### H Ramsumer

*Chairman of the Audit and Risk Committee*

We welcome your feedback on our integrated reporting suite. Please contact us on [investor@premierfmcg.com](mailto:investor@premierfmcg.com) with any comments or queries.

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### Our reporting suite

Premier's integrated reporting suite for the year ended 31 March 2025 comprises the following set of reports which are available on our website at [www.premierfmcg.com](http://www.premierfmcg.com).



Integrated Annual Report



Consolidated Annual Financial Statements



AGM Notice



King IV Register

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# 01



## Group Profile

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## What matters to us



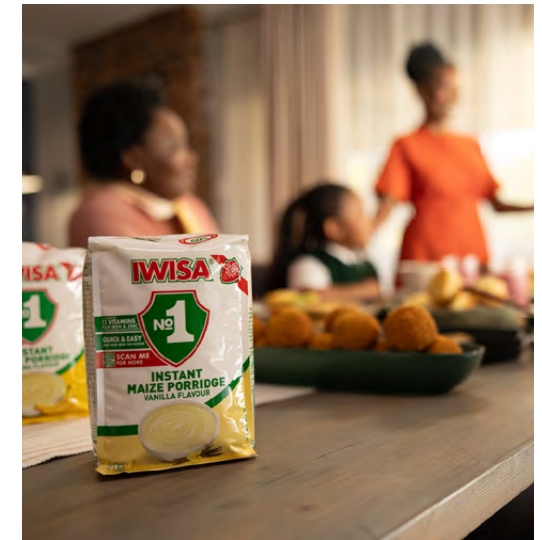
*Our products and people make a difference in the everyday lives of our consumers.*

At Premier, our dedication goes beyond business - it is about an unwavering commitment to our purpose to remain strategically relevant by making a positive impact on the lives of our consumers.

*Growing together since 1824*

Our philosophy of **growing together** through investment in our people and our business, as well as the communities we serve, has long been a strategic focus, enriching and empowering lives in tandem with building sustainable brand equity.

In 2024, Premier celebrated its **200-year** anniversary and now enters its **third century** of building iconic brands that stand the test of time, providing nourishing, affordable and safe products that support our deep-rooted commitment to societal well-being.



## What matters to us continued

### OUR SUSTAINABILITY VISION

Through our **sustainability vision** we recognise our responsibility to care for and protect our people, our planet and the communities we serve, whilst providing products of the highest quality. To fulfil our vision, we developed a **sustainability strategy** which is intrinsically linked to our corporate strategy and, under the umbrella of robust corporate governance, aims to embed sustainable thinking and practices throughout the organisation.

The four pillars of this strategy ensure our activities are a force for good, reducing and mitigating any potentially negative impact our operations may have on the environment, where possible, and at the same time enable us to remain competitive, build a sustainable business and create value for our stakeholders into the future.

Our strategy is aligned to several relevant **United Nations Sustainable Development Goals (UN SDGs)**, as listed below, which guide our decisions and assist us in monitoring our progress.

Earning the right to operate in our communities by being mindful of our responsibility to society and the planet.



# How we made a difference

## Our 2025 financial performance

Revenue <b>R19.9bn</b> +7%	EBITDA <b>R2.4bn</b> +15%	EBITDA margin <b>11.8%</b> (2024: 11.0%)	Operating profit <b>R1.9bn</b> +17%	Operating profit margin <b>9.6%</b> (2024: 8.8%)	HEPS <b>943 cps</b> +27%
Cash dividend <b>271 cps</b> (2024: 220 cps)	Cash generated from operations <b>R2.4bn</b>	Voluntary debt repayments <b>R340m</b> (2024: R916m)	Group leverage ratio <b>0.7 x</b> (2024: 0.9x)	ROIC <sup>1</sup> <b>24.9%</b> (2024: 22.4%)	ROE <sup>2</sup> <b>30.6%</b> (2024: 30.9%)

## Three-year performance since listing to 31 March 2025

Revenue <b>11% CAGR</b> R14.5bn → R19.9bn	EBITDA <b>16% CAGR</b> R1.5bn <sup>3</sup> → R2.4bn	EBITDA margin improved by <b>2%</b> 10% <sup>3</sup> → 12%	Operating profit <b>30% CAGR</b> R0.9bn <sup>3</sup> → R1.9bn
Operating profit margin improved by <b>4%</b> 6% <sup>3</sup> → 10%	Group leverage ratio <b>1.6x → 0.7x</b>	ROIC <sup>1</sup> improved by <b>10%</b> 14.8% → 24.9%	ROE <sup>2</sup> improved by <b>19%</b> 11.7% → 30.6%



<sup>1</sup> Refers to return on average invested capital adjusted for the historical revaluation of intangibles and in FY2022 for capital projects not yet commissioned.

<sup>2</sup> Refers to return on equity adjusted for the historical revaluation of intangibles.

<sup>3</sup> FY2022 EBITDA and operating profit adjusted by adding back an impairment loss of R130 million.

## How we made a difference continued

### Our communities

Meaningful **community involvement** as we continue to invest in our strategy of “earning the right to operate in the communities where we trade”

**R67 million** in product donations to alleviate hunger, provide disaster relief and fight period poverty

Feeding our communities through the provision of **c.33 million** free meals

**>1 million** sanitary pad donations empowering girls and women by improving gender equality

**>1 000** early learning centres upgraded to date

### Our consumers

Contributing to **food security** by providing a wide range of affordable, quality staple food product options nationwide

**38** trusted brands and **>270** private label SKUs across **5** categories



**28%** market share in bread - South Africa’s third-largest food category\*

Innovative pack sizes catering to our **price conscious** consumers

### Our employees

**8 400** permanent and contracted employees (2024: 8 628)

**R29 million** spent on training and development (2024: R26 million)

**6 427** training attendances including extensive **DEIB** training (2024: 3 438)

**R2.6 billion** salaries, wages and benefits paid (2024: R2.4 billion)

**Constructive engagement** with our workforce through focus on DEIB

### Our investors and funders

Delivered above-market returns to shareholders - share price up **140%** since listing

ROIC increased by **250 bps to 24.9%**

Net finance costs paid of **R304 million** (2024: R370 million)

Cash dividend declared of **271 cps** (2024: 220 cps)

Voluntary debt repayments of **R340 million** (2024: R916 million)

### Our planet

**Natural gas** conversion at Pinetown bakery completed

**96%** of all packaging materials recyclable

Saved **51 tonnes** of tCO<sub>2</sub>e by gas and electric vehicles in fleet

Further **17 tonnes** of waste reduction from plastic packaging initiatives

### Our suppliers

**78 entrepreneurs** and **148 jobs** created in bakery distribution through our **Enterprise Supplier Development** programme

**83%** of local procurement spend with B-BBEE empowering suppliers

**15%** with black-owned businesses

**10%** with black women-owned businesses

### Government

**R442 million** paid in income tax (2024: R326 million)

Collaboration with all levels of **government** maintaining open dialogue and building mutually beneficial relationships

\* DataOrbis as at 31 March 2025 (trade desk 12-month average by sales value in South Africa).

# Premier at a glance

*Premier is a leading South African JSE-listed consumer packaged goods (CPG) company, with a proud history dating back more than 200 years.*

*Premier’s market-leading, trusted brands have earned it a place in the hearts of South Africans. Premier’s offering has grown from traditional staple milling and baking products into a diversified portfolio including confectionery and home and personal care (HPC) products complemented by significant private label partnerships.*

Premier’s growth has been achieved both organically as well as through strategic acquisitions that have been integrated into the business operationally and culturally through the Premier Way, paving the way for purpose-led sustainable growth for all its stakeholders.

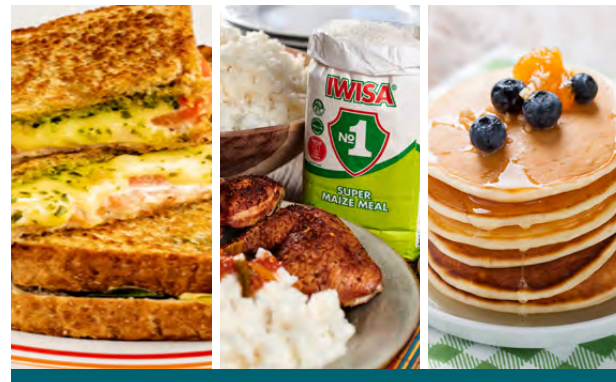


## Creating value through two operating divisions

### MILLBAKE

**2025 REVENUE**  
**R16.4bn**  
 (2024: R15.5bn)

**% OF REVENUE**  
**83%**  
 (2024: 84%)



### GROCERIES AND INTERNATIONAL

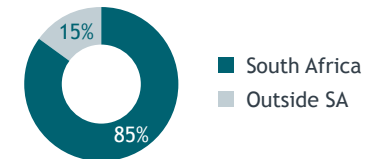
**2025 REVENUE**  
**R3.5bn**  
 (2024: R3.1bn)

**% OF REVENUE**  
**17%**  
 (2024: 16%)



Outside South Africa, we have manufacturing facilities in three countries in the Southern African Development Community (SADC) - Mozambique, Eswatini and Lesotho and an HPC sales office in the UK.

We **export 14** of our **brands** from SA to **41 countries** worldwide.

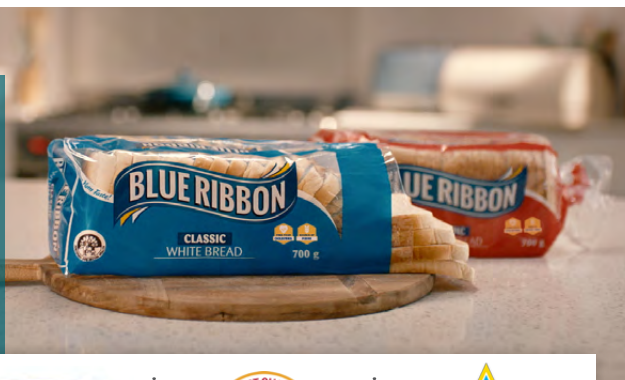


## Premier at a glance continued

### MILLBAKE

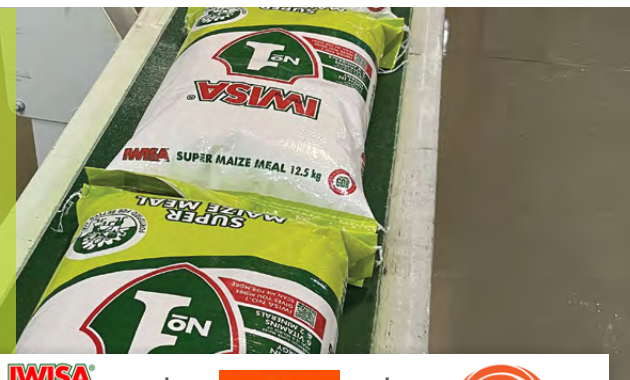
#### BAKING CATEGORY

Products manufactured in the baking category comprise our primary bread products, as well as a range of muffins, cakes and buns.



#### MILLING CATEGORY

Products manufactured in the milling category comprise our market-leading flour products, maize meal, maize rice, samp, instant porridge and maize-based and multigrain beverages.



BREAD MARKET SHARE\*

28%



38% WHEAT MARKET SHARE\*

14% MAIZE MARKET SHARE\*

\* DataOrbis as at 31 March 2025 (trade desk 12-month average by sales value in South Africa).

# Premier at a glance continued

## GROCERIES AND INTERNATIONAL

### CONFECTIONERY

Products manufactured in the sugar confectionery category include mallow, sweets, gums, jellies, toffees, chews, nut brittles and chocolate products.



### HOME AND PERSONAL CARE

Products manufactured and distributed by the HPC team include feminine care and general care products.



### CIM

Products manufactured in the CIM facilities include wheat, flour, maize meal, pasta, biscuits and animal feed.



**2** MANUFACTURING SITES IN SOUTH AFRICA

CANDY MARKET SHARE\* **15%**

**1** MANUFACTURING SITE IN SOUTH AFRICA AND A SALES OFFICE IN THE UK

SA FEMCARE MARKET SHARE\*\* **22%**

**74%** UK NON-APPLICATOR TAMPON MARKET SHARE\*\*\*

MOZAMBICAN OPERATIONS COMPRISING

- 1** WHEAT MILL
- 1** MAIZE MILL
- 1** PASTA PLANT
- 1** BISCUIT PLANT
- 1** ANIMAL FEEDS PLANT

\* DataOrbis as at 31 March 2025 (trade desk 12-month average by sales value for Premier's defined segments being gums & jellies, mallow, sweets, chews, compressed & boiled candies/lollies, toffees and liquorice in South Africa).  
 \*\* DataOrbis as at 31 March 2025 (trade desk 12-month average by sales value of the combined Femcare and Cotton Wool segments).  
 \*\*\* Unify value share data for 52 weeks ending 26th April 2025.

## Premier at a glance continued

Our state-of-the-art manufacturing and distribution sites have production and distribution capabilities enabling our extensive countrywide reach.

Employing  
**>8 400**  
permanent and  
contracted employees

**>1m**  
tonnes of wheat

**680k**  
tonnes of maize

**845m**  
loaves of bread

**382m**  
HPC sticks

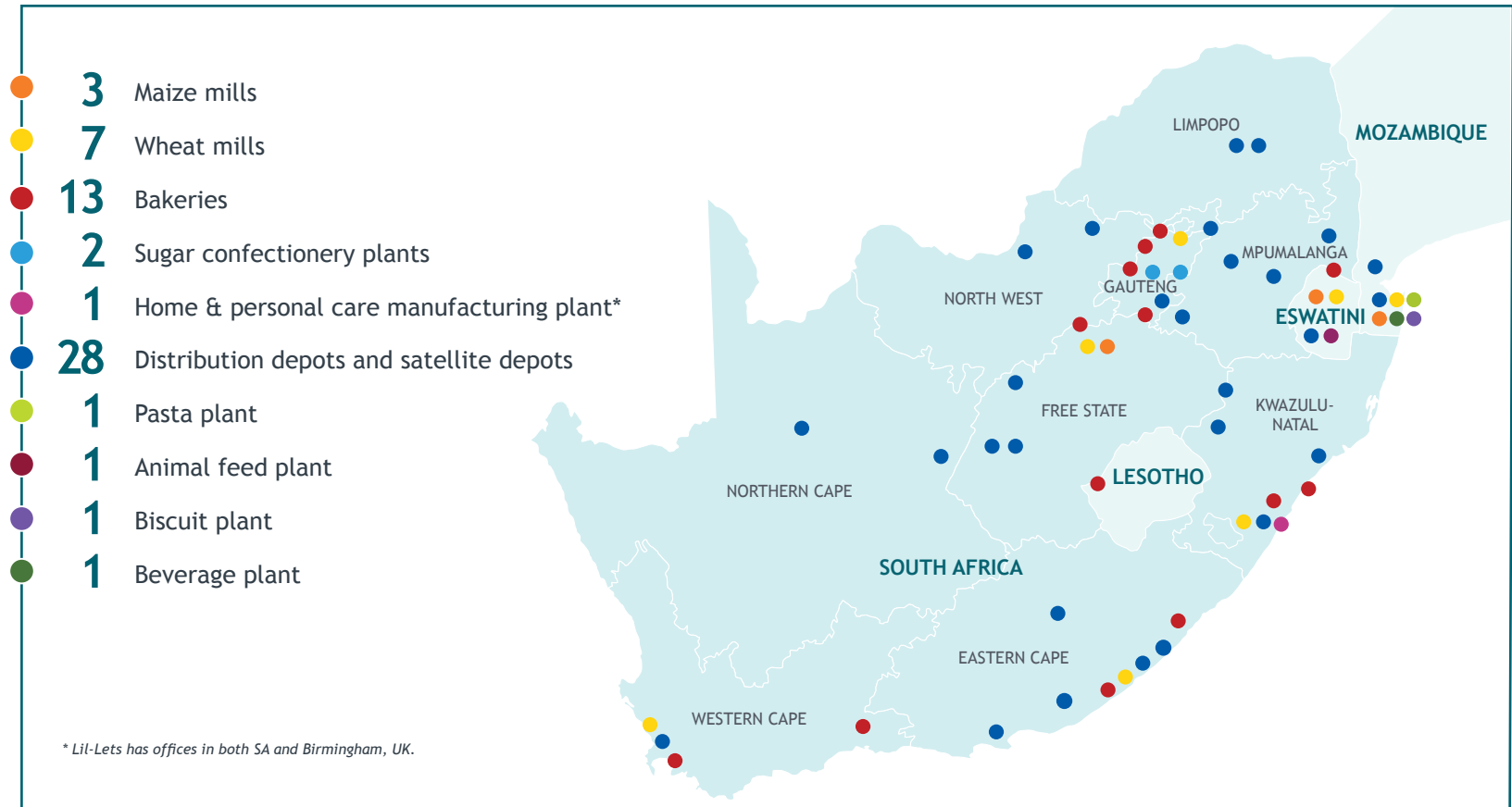
**43k**  
tonnes of sugar-based  
confectionery

Producing and  
marketing  
**38**  
brands

Covering  
**>1 000**  
routes reaching  
**>60 000**  
customers per day

Using a  
distribution fleet  
of  
**>1 500**  
owned and  
third-party  
trucks

- 3 Maize mills
- 7 Wheat mills
- 13 Bakeries
- 2 Sugar confectionery plants
- 1 Home & personal care manufacturing plant\*
- 28 Distribution depots and satellite depots
- 1 Pasta plant
- 1 Animal feed plant
- 1 Biscuit plant
- 1 Beverage plant



\* Lil-Lets has offices in both SA and Birmingham, UK.

# Our history



Attwell's Bakery is founded

1824



too fresh to flop

New mills are erected in Port Elizabeth (now known as Gqeberha)

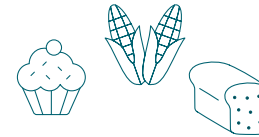
The Snowflake brand is registered

1884



Marks & Co and Premier Roller flour mills merge to become Premier Milling

1913



Premier Food Industries Limited is formed

Lists on the JSE



1984

Foundation for African Business and Consumer Services (FABCOS) acquires 100% of Premier Foods

2004

1852

Baumann's Bread and Biscuits in Durban is formed and becomes known as BB Bakeries



1891

Cape Town's Attwell's Bakery merges with the Port Elizabeth Steam Mill Company to form the South African Milling Company Limited (SA Milling)



1964

Premier Milling merges with SA Milling

1998

General Food Industries Limited (Genfood) acquires the milling and baking operations from Premier Food Industries Limited. Genfood is later renamed Premier Foods



Premier

2011

International investment group, Brait Mauritius Limited (Brait), acquires a majority stake in Premier Foods



## Our history continued



The growth strategy is entrenched in 2013 with the acquisition of several businesses including: Star and Mister Bread in the Eastern Cape, Manhattan confectionery and Lil-Lets (SA and UK)

2013

Acquires La Femme, a Durban-based business that manufactures tampons for Lil-Lets in South Africa.

Premier expands African footprint with the acquisition of CIM, a leading food-producing company in Mozambique with a diversified product range, comprising wheat flour, maize meal, pasta, biscuits and animal feeds

2015

100%



Premier acquires 100% of the shares in issue in Eswatini Mahewu. Its primary focus is on the production and distribution of mahewu in Eswatini and the SADC region

2019

Premier acquires Outeniqua bakery, a regional bakery based in George in the South Western Cape

2022



Premier celebrates its 200th birthday

Acquires 30% of Goldkeys International (Pty) Ltd, one of the largest rice importers into South Africa, based in KwaZulu-Natal

2024

2012

Premier enters Eswatini through the acquisition of a controlling stake in Mister Bread and S.U.B. bakeries



2014

Acquires Ngwane Mills, the largest wheat and maize miller in Eswatini, to supply and complement Premier Swazi Bakeries' operations

2018

Premier enters the beverages category with the acquisition of a 60% shareholding in Eswatini Mahewu, based in Eswatini

60%

2021

Premier acquires Mister Sweet, a sugar-based confectionery business



2023

Premier Group Limited lists on the JSE  
  
Acquires a 35% stake in a UK-based niche skin care treatment range under the brand Science of Skin

2024

Included in the JSE ALSI  
  
Acquires 13% shareholding in ZEN Commodities, a Dubai-based soft commodities trading business



# Our brand portfolio



Premier's extensive brand portfolio comprises a diversified mix of 38 trusted, market-leading consumer brands, across five categories, appealing to the broader market and complemented by a strategic private label offering of over 270 SKUs.

The consumer-facing brands have touchpoints across the entire shopper journey. They are actively engaged in community and sustainability initiatives, helping to build and retain brand equity. Premier's main focus is on easy-to-consume, value-for-money staple foods. Known and trusted national and regional brands in the bread, maize, wheat, samp and pasta categories offer consumers a wide range of nourishing products to choose from. Outside of the core staple food range, Premier produces a balanced portfolio of margin-enhancing products in sugar confectionery, home and personal care, and in the breakfast, biscuit, rice, mageu, animal feed and baked goods categories. Premier's growth strategy of continuing to grow market share, particularly in under-represented areas, will ensure continued investment and improvement in our brands. We aim to enhance the consumer experience, meet their changing needs and take opportunities to widen our product offering across all categories.



# 02

## Our Governance



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# Chairman's review



Jaan van Heerden

## Market capitalisation

# R16.6bn

## Level 4

# B-BBEE

CONTRIBUTOR

## CSI donations

# R67m

*These results are a testament to our robust business model and the focused efforts of our team.*

It is an honour to continue serving as Chairperson of Premier in a year that demonstrates the resilience of our people and the effectiveness of our strategy. Our continued success is a testament to our core values: a relentless pursuit of excellence in the basics and our unwavering commitment to earning the right to operate within the communities we serve. We take the responsibility of feeding our nation extremely seriously and hence, food safety is our number one business priority.

The past year presented a dynamic and often unpredictable operational landscape for our business. The Premier management team navigated a complex web of challenges, including labour disruptions at our confectionery business, global supply chain volatility, geopolitical conflicts in Israel and Ukraine, domestic budget uncertainty and significant currency fluctuations and market volatility. Furthermore, the business adeptly managed considerable input cost volatility, particularly with regards to maize and rice prices. Our operations in Mozambique contended with periods of civil unrest following the general elections in October 2024 as well as currency shortages that constrained the procurement of commodities. The proactive efforts of our people in managing these multifaceted challenges truly underscore the inherent resilience that defines Premier.

*Despite these global and local headwinds, Premier remained resolute, firmly aligned with our core strategic priorities: serving our customers with excellence, investing judiciously for sustainable growth and consistently creating long-term value through operational prowess.*

We are proud to report an EBITDA growth of 15%, a return on invested capital of 24.9% and headline earnings per share (HEPS) growth of 26.8%.

Pleasingly, Premier generated R2.4 billion in cash from operations, enabling continued capital investments of R726 million, corporate acquisitions and funding of R425 million, net repayment of borrowings of R345 million, of which R340 million was voluntary, and the payment of a maiden dividend of 220 cents per share. A dividend of 271 cents per share was declared for the FY2025 financial year.

## Chairman's review continued

Looking ahead, we will continue to invest in our future and to unlock further potential. The upgrades at our Aeroton bakery are progressing well, poised to significantly enhance our operational efficiency. We will continue to allocate capital in a disciplined manner, targeting high-return investments that will fuel sustainable, profitable growth and strong cash flow generation. Innovation remains central to our structure, driving efficiencies and capturing new opportunities across our diverse business, from advancements in sustainable packaging to strategic confectionery expansion and impactful research and development collaborations.

Beyond our financial achievements, we maintained our commitment to making a tangible difference in the communities we serve. We are proud of our social impact initiatives which saw us deliver over 33 million donated meals, distribute over one million free feminine hygiene products and upgrade 305 creches across our communities during this year. Furthermore, we upskilled our employees through over 6 400 attendances at training programmes and created 78 entrepreneurs and 148 new jobs through our Enterprise Supplier Development Programme. These efforts reflect our belief that sustainable business success is intertwined with societal well-being.

Coupled with the Group's diversity, equity, inclusion and belonging programmes, specifically aimed at developing site-based talent for senior management roles, and our environmental sustainability initiatives resulting in 17 tonnes of plastic waste reductions - we are making a deliberate and positive impact in our communities.

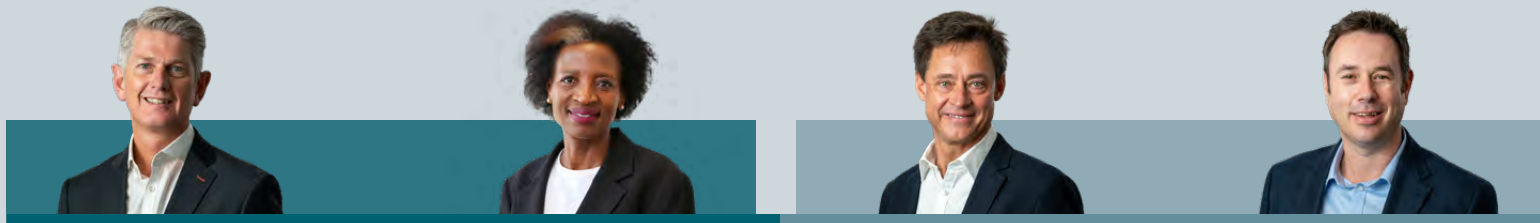
*We approach the future with cautious optimism, confident in Premier's continued growth trajectory. Our consistent performance, coupled with strategic investments and a robust market position, ensures we are well-positioned to continue delivering strong results and drive ongoing value creation for our shareholders.*

On behalf of the Board, I would like to thank the Premier executive team, led by our CEO Kobus Gertenbach, who once again demonstrated exceptional skill, dedication and judgement to deliver this superb set of results. Furthermore, I extend my gratitude to our dedicated employees for their effort and passion, our supportive partners and shareholders for their continued trust, and our loyal customers for their enduring confidence in our brands. Premier is firmly on a path of purposeful growth and long-term value creation, and our strong foundation instils great confidence in our continued success.

**I van Heerden**  
Chairman of the Board



# Board of directors



## Iaan van Heerden (53)

*Non-executive Chairman*

*BLC, LLB, LLM, H-Dip International Tax*

Appointed: 5 September 2023  
(joined Premier Board on 22 June 2021)

Other listed directorships:  
Invicta Holdings Limited

Shareholding at 31 March 2025:  
Nil

## Faith Khanyile (58)\*

*Lead Independent Director*

*BA Economics (Honours), MBA Finance, H-Dip Tax*

Appointed: 5 September 2023  
(joined Premier Board on 1 November 2022)

Other listed directorships:  
Discovery Limited, Bidvest Group Limited, the JSE Limited

Shareholding at 31 March 2025:  
Nil

## Kobus Gertenbach (53)

*Chief Executive Officer*

*BCompt (Honours), MCom, CA(SA)*

Appointed: 1 April 2021  
(joined Premier Board on 1 May 2011)

Other listed directorships:  
Nil

Shareholding at 31 March 2025:  
179 005

## Fritz Grobbelaar (47)

*Chief Financial Officer*

*BCompt (Honours), CA(SA)*

Appointed: 2 August 2021

Other listed directorships:  
Nil

Shareholding at 31 March 2025:  
31 895



## Daan Ferreira (68)

*Independent Non-executive Director*

*BCom, BCompt (Honours), CA(SA)*

Appointed: 12 December 2023

Other listed directorships:  
Nil

Shareholding at 31 March 2025:  
Nil

## Jonathan Matthews (50)

*Non-executive Director*

*BBusSci Finance (Honours), CA(SA), CFA*

Appointed: 11 March 2020

Other listed directorships:  
Nil

Shareholding at 31 March 2025:  
Nil

## Harish Ramsumer (64)\*

*Independent Non-executive Director*

*BCom, PGDip Accounting, CA(SA)*

Appointed: 9 May 2022

Other listed directorships:  
Mr Price Group Limited

Shareholding at 31 March 2025:  
Nil

## Wandile Sihlobo (34)

*Independent Non-executive Director*

*BSc Agricultural Economics, MSc Agricultural Economics*

Appointed: 22 June 2021

Other listed directorships:  
Nil

Shareholding at 31 March 2025:  
Nil

## Peter Hayward-Butt (53)

*Alternate Director*

*BSc Agricultural Economics, MSc Development and Agricultural Economics*

Appointed: 11 November 2022  
(joined Premier Board on 11 March 2020)

Other listed directorships:  
Nil

Shareholding at 31 March 2025:  
10 000

\* Standing for re-election at the Company's AGM in September 2025.

## Board of directors continued

### BOARD COMPOSITION

The Board is constituted in accordance with the Company's Memorandum of Incorporation (MOI) and the principles of King IV. The majority of Board members are non-executive directors who bring diverse perspectives to Board deliberations and add value by constructively challenging management. We believe that the current composition provides the appropriate leadership to guide the business into the future. However, where necessary, we will appoint new directors whose experience supports the Company's strategic direction and industry focus, and who contribute to maintaining the desired diversity on the Board.

Iaan van Heerden, our Non-executive Chairman, leads the Board in the objective and effective execution of its governance roles and responsibilities. Faith Khanyile strengthens the Board's independence in her capacity as the Lead Independent Director. The roles of the Chairman and the CEO are distinct and separate, with this division of responsibilities designed to ensure that no individual holds unfettered decision-making power and that an appropriate balance of authority exists on the Board. Two members of executive management - the CEO and the CFO - serve on the Board, providing our non-executive directors with multiple points of direct engagement with management.

### DIVERSITY MEASURES\*

The Board comprises an appropriate balance of knowledge, skills, experience, diversity and independence to objectively and effectively discharge its governance role and responsibilities. It has adopted a broad diversity policy, focusing specifically on the diversity attributes of gender, race, culture, age, field of knowledge, skills and experience at Board level.

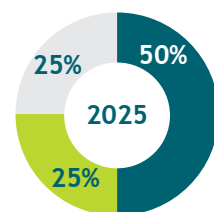
\* Where diversity measures relate to non-executive directors, they do not make provision for alternate directors.

### INDEPENDENCE - Ensuring objective oversight in the best interests of all shareholders

At 67%, the majority of our non-executive directors are independent, in line with the recommendations of King IV and global best practice. The Board comprises eight members, which allows for effective composition of its three committees while maintaining appropriate levels of independence.

The Board is sufficiently sized to promote accountability and to encourage healthy, constructive debate and decision-making, while also meeting regulatory requirements and the provisions of the Company's MOI.

### EXECUTIVE AND NON-EXECUTIVE DIRECTORS



- Independent non-executive directors
- Executive directors
- Non-executive directors

### NON-EXECUTIVE DIRECTORS' TENURE



### NON-EXECUTIVE DIRECTOR RETIREMENT

In accordance with the Company's MOI, and to ensure accountability while maintaining continuity on the Board, one-third of non-executive directors are required to retire by rotation and stand for re-election by shareholders at each AGM. In addition, independent non-executive directors who have served on the Board for nine consecutive years are required to stand for annual re-election at each subsequent AGM. Prior to being recommended for re-election, such directors undergo a rigorous assessment by the Board, which considers their interests, independence and continued contribution. Non-executive directors are not appointed for fixed terms.



## Board of directors continued

**SKILLS, EXPERTISE AND EXPERIENCE** - A balanced blend of knowledge, industry insight and leadership experience to support long-term success

The Board possesses a broad and diverse range of skills in areas relevant to the Group, enabling it to govern effectively and act in the best interests of all stakeholders. The appropriate mix of skills, expertise and experience ensures that the Board, as a collective, is well-equipped to guide strategic direction and to create and protect long-term value.

With the support of the Remuneration and Nomination Committee, the Board regularly evaluates its composition in response to the Group’s evolving long-term strategy and the demands of a rapidly changing external environment. As part of this process, the Board conducts an annual self-assessment of its skills and capabilities and develops targeted plans to strengthen areas identified for improvement.



### BOARD AND COMMITTEE MEETING ATTENDANCE (%)



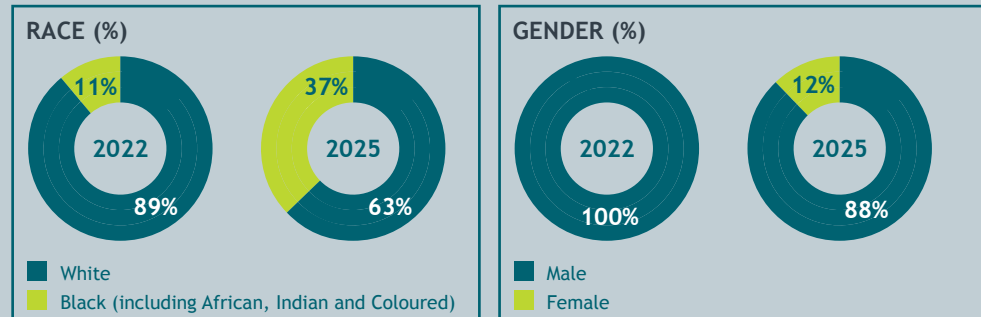
All directors attended 100% of the meetings of the Board and the committees on which they served in FY2025.

**DIVERSITY** - Advancing transformation through representative leadership that resonates with societal expectations

#### AGE:

Executive directors are required to retire from the Board at age 65 and, unless otherwise agreed by the Board, non-executive directors are required to retire at age 75. Executive directors are subject to three-month notice periods.

#### Average Age



The Company remains firmly committed to promoting diversity, equity and inclusion, and has adopted a policy aimed at advancing broader diversity at Board level. This policy specifically focuses on attributes such as gender and race and is duly considered and applied when making appointments to the Board.

# Governance processes

## BOARD EVALUATION

In line with the principles of King IV, the Board undertakes an externally facilitated evaluation every three years, with the next such review planned for FY2026.

During FY2025, an internal evaluation was conducted under the guidance of the Remuneration and Nomination Committee. The purpose of the evaluation was to assess the Board's overall performance and effectiveness, recognise strengths, identify areas for development, and encourage constructive Board engagement.

The outcome confirmed that the Board continues to operate effectively, while also highlighting areas where further enhancements could be made. Appropriate actions have been initiated to address these findings and support continuous improvement.



## THE BOARD'S GOVERNANCE PHILOSOPHY

Premier's approach to governance is rooted in purpose-driven leadership from both the Board and executive management, supported by a strong culture of values and expected behaviours that apply to all employees across the Group. Integrity and doing the right thing are core to Premier's values and are actively embedded throughout the organisation through the adoption of the Premier Way. The Board and executive management are focused on creating long-term, sustainable value by delivering on the Group's purpose of ensuring that our products and people make a difference in the everyday lives of our consumers. This is achieved through the effective implementation of our four integrated strategic pillars.

To maintain the relevance and sustainability of our business model, we continuously monitor external dynamics, including macroeconomic trends, industry risks, capital availability and stakeholder expectations. These insights shape and inform the Group's strategic direction. The Board's governance structures and processes are designed to support the effective delivery of this strategy, while ensuring sound management and robust control over the business.

The principles of King IV are firmly embedded in the Group's internal controls, policies, Board charters and governance practices. The Board's oversight responsibilities are aligned with its commitment to achieving the four governance outcomes advocated by King IV: ethical culture, effective control, good performance and legitimacy. For further details on how Premier applies the King IV principles, please refer to the King IV Register available on our website at [www.premierfmcg.com](http://www.premierfmcg.com).

**In compliance with paragraph 7.F.6 of the JSE Listings Requirements, the Board confirms that the Company continues to comply with the provisions of the Companies Act and operates in conformity with its MOI and/or relevant constitutional documents.**

### KEY GOVERNANCE PRACTICES IN PLACE

- Majority of non-executive directors are independent
- Annual election of 1/3 of non-executive directors by majority voting
- Annual Board and committee evaluations (formally facilitated every third year)
- Experienced Non-executive Chairman with clearly delineated duties
- Lead Independent Director appointed to strengthen Board independence
- Board-approved policy on independent professional advice
- Related party transactions monitored and transparently disclosed in the AFS
- Malus and Clawback Policy that applies to executive director and senior management incentive awards
- MOI provisions enabling the protection of shareholder rights and the equitable treatment of shareholders
- No supermajority provisions or voting rights ceilings in governing or constitutional documents
- Shareholder right to call special meetings

## Governance processes continued

### KEY BOARD DISCUSSIONS AND APPROVALS IN FY2025

The Board uses its quarterly meetings as a key platform to discharge its duties under the Companies Act, JSE Listings Requirements and King IV principles. These meetings also provide a forum for setting strategic direction and overseeing risk management. Agendas are thoughtfully prepared in collaboration between the Chairman, CEO and company secretary.

In FY2025, the Board focused on enhancing and protecting long-term value, while proactively addressing risks that could lead to value erosion.

#### Q1: April - June 2024

- Considered the Mister Sweet post-acquisition review, focusing on operating performance and comparing it to original investment objectives
- Considered site optimisation of the confectionery footprint and the site architecture roadmap to FY2028
- Considered the internal auditors written assessment of the Group's internal control environment, including its governance and risk management processes
- Approved the acquisition of 30% of Goldkeys International (Pty) Ltd (Goldkeys)
- Approved the FY2024 annual financial results and declared a maiden dividend of R283.6m to ordinary shareholders
- Considered feedback provided through the FY2024 results roadshow

#### Q2: July - September 2024

- Assessed the competence, qualifications and experience of Bronwyn Baker, the Company Secretary, confirming that she possesses the necessary expertise to effectively fulfil her duties
- Approved amendments to the composition of the Audit and Risk Committee, appointing Daan Ferreira in the place of Jonathan Matthews
- Approved the remuneration policy and the FY2024 integrated annual report
- Considered the Essential Food Pricing Monitoring Report released by the Competition Commission in May 2024 and its impact on and implications for the Group
- Approved the refinance of the Group's syndicated debt facilities, resulting in reduced interest rates and extended maturity dates
- Held the Group's 2024 AGM

#### Q3: October - December 2024

- Engaged with institutional shareholders that voted against the Company's remuneration policy and/or implementation report
- Monitored the wage negotiations and strike action at Mister Sweet, Wadeville
- Considered the impact of the Companies Amendment Acts 16 and 17 of 2024
- Approved the acquisition of 13.3% of ZEN Commodities, a soft commodities trading business
- Approved the FY2026 - FY2030 strategic plan, as well as the corporate scorecard which defines the Group's performance measures
- Approved the FY2025 interim results
- Considered feedback provided through the FY2025 interim results roadshow
- Independently verified the statutory compliance of all Group companies against the requirements in the Companies Act

#### Q4: January - March 2025

- Engaged in an annual budget workshop session and ultimately approved the FY2026 budget
- Considered and approved the capital expenditure (capex) plan to FY2027
- Approved the Group's Risk Appetite Policy, which articulates the Board's risk appetite and tolerance levels

#### Throughout FY2025

Throughout the year, the Board regularly considered capital allocation and soft commodity price volatility. Meetings also included updates from committee chairs on key issues and decisions arising from committee deliberations, as well as comprehensive CEO reports covering operational and financial performance and projections, macroeconomic and socio-political developments, competitive dynamics, and the broader operating environment. These sessions also addressed progress on strategic implementation, value creation efforts, key risks and reputational issues, human capital matters and updates on significant projects in progress.

### STRATEGIC PILLARS CONSIDERED IN FY2025:



### CAPITALS CONSIDERED IN FY2025:



# Governing structures and delegation

## GOVERNING STRUCTURES

The Board of Directors plays a central role in providing strategic direction and oversight, ensuring that long-term value is created for stakeholders through robust governance and sound control systems. It retains ultimate accountability for the performance and affairs of the Group and ensures adherence to high standards of ethical conduct.

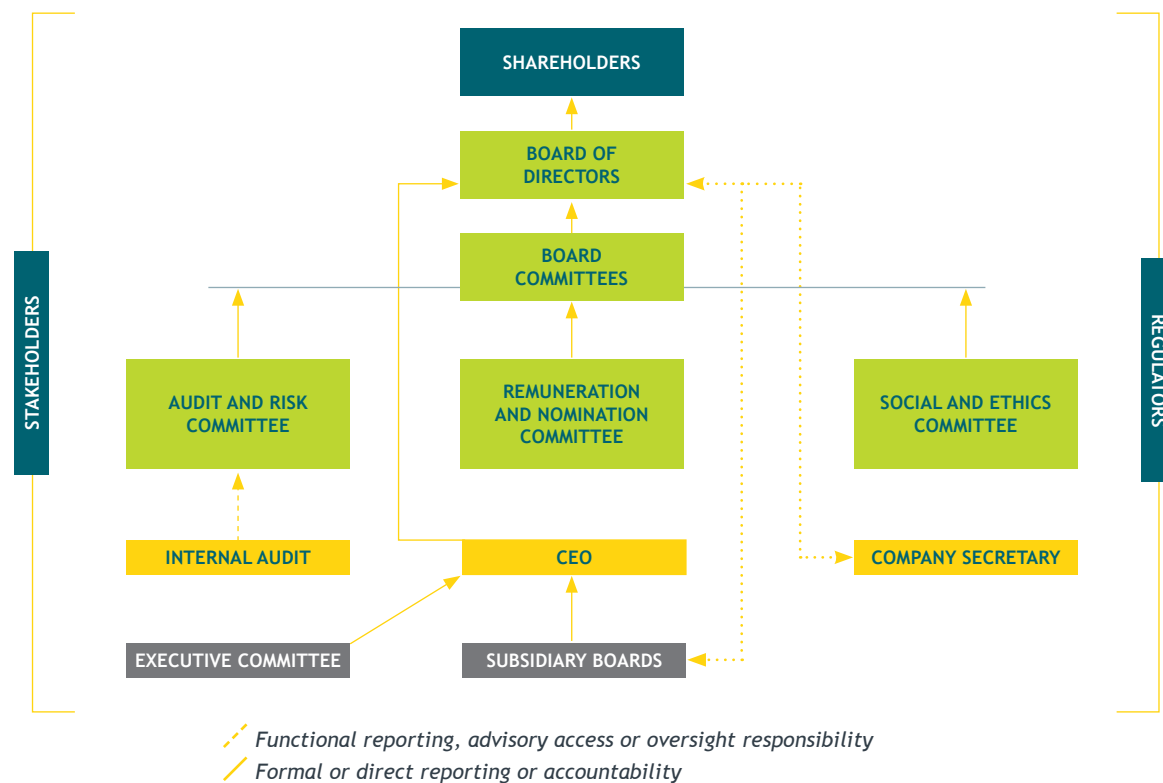
The Board is supported by well-constituted committees, each with clearly defined mandates and formal terms of reference that are approved by the Board and reviewed annually. These committees enhance independent judgement, enable the sustainable execution of strategy, and allow the Board to leverage the specialised expertise of its members in areas such as audit, risk, sustainability and executive remuneration. While committee members are appointed by the Board, the Audit and Risk, and Social and Ethics Committees require shareholder election following Board nomination.

Following each meeting, committee chairpersons report back to the Board, promoting transparent communication and ensuring that all aspects of the Board's mandate are addressed. The minutes of Board committee meetings are also made available to all Board members.

The Board remains satisfied that the committees have the competence and capacity to effectively manage the Group's current and emerging risks and opportunities.

## GOVERNANCE FRAMEWORK

Our Group-wide governance framework sets out the overarching governance structures, principles and processes that guide the way the Group is governed across all entities, including its subsidiaries.



## DELEGATION OF AUTHORITY

The Board's strategic oversight is supported by a formal Delegation of Authority Framework, which defines how decision-making powers and responsibilities are allocated throughout the Group. Subsidiary boards operate within this framework and are accountable to the Board of Premier Group Limited.

# Board committees

## AUDIT AND RISK COMMITTEE



1

HARISH  
RAMSUMER  
Chair

2

DAAN FERREIRA\*

3

FAITH KHANYILE

☐ Independent non-executive directors

### MANDATE

#### Financial oversight and reporting

- Reviews the integrity of financial statements, internal controls and accounting policies.
- Recommends the AFS and IAR for Board approval.
- Oversees financial reporting compliance and significant tax matters.

#### Audit and assurance

- Appoints and evaluates external auditors and monitors their independence, including non-audit services.
- Reviews internal audit findings and ensures effective communication across all assurance providers.
- Oversees a coordinated combined assurance model across all lines of defence.

#### Risk management and compliance

- Oversees the Enterprise Risk Management Framework, including operational and financial risks, legal and compliance matters, and business continuity planning.
- Monitors specific risk exposures, including grain procurement and strategic risks.

#### IT and data governance

- Monitors the execution of IT and digital strategies.
- Oversees data governance, cybersecurity, and technology-related risks.

5

Meetings held  
in FY2025

### KEY COMMITTEE FOCUS AREAS IN FY2025

- The accounting treatment of the investments in Goldkeys and ZEN Commodities, with a particular focus on ensuring appropriate initial recognition and subsequent measurement in the Group financial statements.
- Addressed the findings raised in the JSE's proactive monitoring reports, with particular emphasis on segment reporting in accordance with IFRS 8: Operating Segments, and other regulatory and financial reporting developments.
- Prioritised IT risk management through the commissioning of independent cyber risk and disaster recovery assessments, as well as oversight of improvements in the Group's NIST and Microsoft security scores.

The Audit and Risk Committee's full report detailing, amongst others, the manner in which the Committee fully discharged its responsibilities in FY2025, is set out on pages 4 to 7 of the consolidated AFS.

\* Daan Ferreira was appointed to the Committee on 4 September 2024, replacing Jonathan Matthews.

## Board committees continued

### REMUNERATION AND NOMINATION COMMITTEE



<b>1</b>	<b>2</b>
JONATHAN MATTHEWS Chair	DAAN FERREIRA
<b>3</b>	
IAAN VAN HEERDEN	
	Independent non-executive directors

#### MANDATE

##### Remuneration strategy and oversight

- Oversees the Group's remuneration philosophy, policy and implementation.
- Reviews and recommends CEO, executive committee and non-executive director remuneration to the Board for approval.
- Monitors the link between remuneration outcomes, performance and long-term value creation.

##### Talent, retention and succession

- Considers fair and responsible remuneration, employee performance and talent management.
- Evaluates the effectiveness of the Group's people and reward strategies in supporting sustainable performance.
- Reviews and monitors executive succession plans to ensure leadership continuity.

##### Governance and Board composition

- Reviews Board and committee composition, including independence, diversity and succession.
- Monitors corporate governance developments and their impact on the Group.
- Assesses and tracks progress on Board evaluation outcomes.

##### Conflicts of interest and director affairs

- Oversees director-related matters, including conflicts of interest and related party transactions.

**3** Meetings held in FY2025

#### KEY COMMITTEE FOCUS AREAS IN FY2025

- Prioritised succession planning for executive directors and executive committee members, with a focus on maintaining leadership continuity and addressing long-term capability development.
- Evaluated the composition and performance of the Board and its committees, including the rotation of non-executive directors and ensured the continued independence and diversity of the Board.
- Engaged with shareholders to address concerns around long-term incentive design, disclosure of performance targets and alignment of remuneration outcomes with sustainable value creation.
- Continued focus on equitable and market-aligned remuneration across all employee levels.
- Approved annual salary increases and incentive allocations based on pre-agreed performance criteria, ensuring remuneration remains defensible, transparent, and linked to individual and Group performance.

Further details on the specific remuneration-related activities of the Committee in FY2025 are set out in the remuneration report on pages 96 to 114.

## Board committees continued

### SOCIAL AND ETHICS COMMITTEE



1

WANDILE  
SIHLOBO

Chair

3

JONATHAN  
MATTHEWS



Independent non-executive directors

2

FAITH  
KHANYILE

#### MANDATE

##### Ethics, governance and compliance

- Oversees the Group's ethical conduct and monitors the application of recommended governance practices as outlined in King IV and the Companies Act.
- Ensures compliance with relevant social and economic development legislation and regulations.

##### Sustainability and ESG oversight

- Reviews and monitors the Group's sustainability strategy and ESG implementation framework.
- Considers matters relating to environmental stewardship, health, safety and long-term sustainable value creation.

##### Transformation, inclusion and corporate citizenship

- Monitors the Group's progress on transformation, diversity, equity and inclusion objectives.
- Provides oversight of corporate social investment, labour practices and employment equity.
- Considers stakeholder relationships and the Group's role in contributing to socio-economic development.

##### Stakeholder and consumer engagement

- Oversees stakeholder engagement initiatives and ensures transparent communication with key stakeholder groups, including consumers and communities.
- Considers public safety, customer relationships and reputational risk linked to social performance.

3

Meetings held  
in FY2025

#### KEY COMMITTEE FOCUS AREAS IN FY2025

- Oversaw the implementation of revised employment equity targets in line with legislative changes, and monitored progress on achieving the Group's transformation objectives, including maintaining a Level 4 B-BBEE status.
- Ensured continued adherence to occupational health and safety regulations across all sites, achieving >97% internal compliance scores and maintaining a DIFR of 0.69%. Oversight extended to broader operational risk management related to consumer well-being, with a particular focus on food safety standards.
- Monitored trends in consumer complaints and whistleblowing reports, ensuring appropriate action and responsiveness to stakeholder concerns.
- Oversaw the Group's investment in skills development, including R29 million spent on training and the upgrade of 305 early learning centres. Continued support for community initiatives such as water deliveries, food security and menstrual hygiene product donations.

In compliance with paragraph 7.F.6 of the JSE Listings Requirements, the Board confirms that the Company continues to comply with the provisions of the Companies Act and operates in conformity with its MOI and/or relevant constitutional documents.

For more information on the Company's ESG strategy, sustainability practices and initiatives, see the sustainability report on pages 69 to 95.



# 03

## Our Approach

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# Our investment case

Premier's systematic focus on being the lowest cost producer in the Millbake category and its dedication to achieving consistent top-quality delivery every day, allows it to differentiate itself and operate competitively in a dynamic trading environment. Continuous investment in its operational platform and business model has enabled Premier to consistently create and preserve value in the long term, positioning it as one of the leading CPG platforms in South Africa with further capability to grow.

1



**Key CPG player within the broader South African market**

- Extensive offering of **trusted, market-leading brands** across key categories servicing the broader population
- **Resilience and defensive growth** in weak macro-economic climate
- Demonstrated ability to **consistently improve market share** with further potential to grow
- Able to **compete effectively** in one of the largest food categories
- Strategic **private label partnerships** complement the brand portfolio

2



**Significant capex investment has delivered fully integrated state-of-the-art facilities**

- Premier's modern facilities enable it to operate a **low-cost production model** whilst maintaining high quality standards
- **Scalable platform** differentiating Premier in terms of scale and logistics capabilities
- Exhibited capacity and **ability to grow**
- Infrastructure and capability to reach a **broad customer base**, street by street
- Well-invested IT capability supporting Premier's integrated operations
- **R6.8 billion capex** invested since 2011

3



**Consistent track record of strong financial performance**

- History of superior volume and sales growth and an **improving margin trend**
- **Focused on input cost management** in an inflationary environment
- **Maintained strong financial metrics** despite commodity price volatility assisted by effective procurement strategy
- **Flexible business model**

4



**Core competency in identifying and integrating value-accretive acquisitions**

- Strategic bolt-on acquisitions, identified against carefully considered investment criteria, continue to supplement Premier's **organic growth**
- **15 acquisitions** since 2011
- Created a platform to **further scale operations**
- Pipeline of **M&A opportunities** to continue expansion

5



**Highly skilled and experienced management team**

- **Nine experienced senior operational executives** who collectively have over 100 years of experience
- Widely considered **industry-leading** amongst peers
- Fostered a high-performance, agile culture across the organisation
- **Stable operational and functional management team**

6



**Rigorous adherence to a corporate philosophy of "Doing what is right"**

- Premier strives to operate **ethically** and in a transparent manner
- Premier has a **defined sustainability strategy** currently being implemented
- Shown **capacity and ability to grow** within the communities it has earned the right to operate in
- ESG performance targets included in CEO scorecard maintaining a companywide **strategic focus on sustainability measures**

# Value creating business model

Our business model positions us to create long-term sustainable value for all of our stakeholders through the mindful use of our six capital inputs and relentless commitment to our strategic intent. Applying rigorous governance oversight and responsible business improvement practices, we seek to improve the lives of our stakeholders and ensure the sustainability of our business processes.

**OUR PURPOSE:** Our products and people make a difference in the everyday lives of our consumers

## KEY INPUTS

- F

**Financial Capital**  
Funding available to Premier from shareholders, debt providers and retained profits
- M

**Manufactured Capital**  
Our physical infrastructure of state-of-the-art manufacturing facilities, distribution depots and logistics operations in our chosen geographies enabled by our sophisticated IT platform
- S

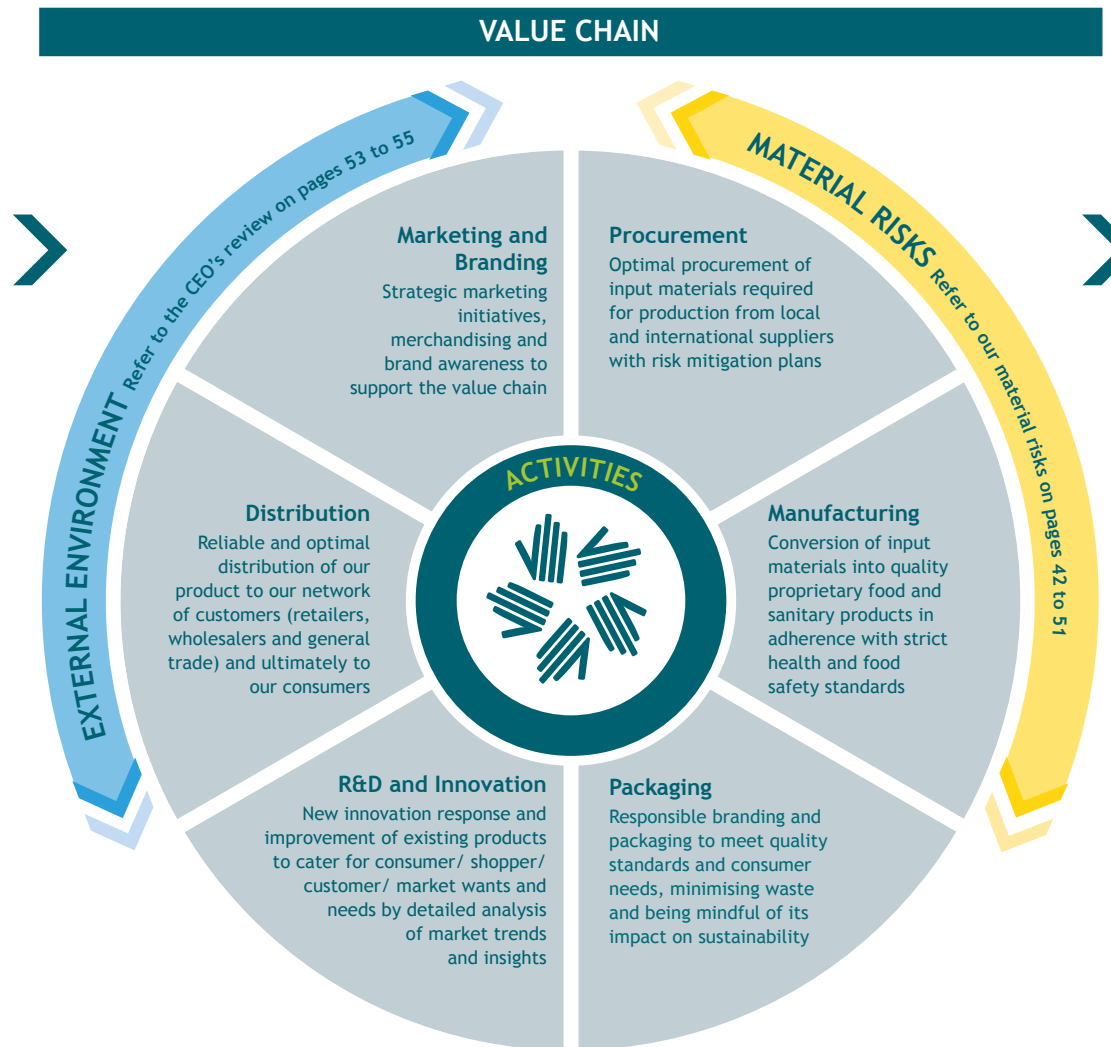
**Social and Relationship Capital**  
The stakeholders in our business who share our common value creation goal including customers, consumers, suppliers, regulators, investors and the communities we serve
- H

**Human Capital**  
Our skilled workforce, supported by our top-tier executive and Board, motivated by our culture, the Premier Way, to deliver on our purpose
- I

**Intellectual Capital**  
Our long operating history, respected brands, innovative and agile mindset, intellectual property and operating systems and processes, coupled with excellence in execution
- N

**Natural Capital**  
The natural resources that are critical in the manufacture of our products

## VALUE CHAIN



## DIRECT OUTPUTS

Providing our customers and consumers with nutritious, affordable, quality food, confectionery, beverages and sanitary products delivered reliably through our various routes to market. Applying purpose-led corporate responsibility to align with our sustainability strategy of “Earning the right to operate in our communities”

## OUTCOMES

Refer to pages 31 to 36 for more detail on how we invest in and deliver value through our capitals

## UN SDGs

Refer to our sustainability report on pages 69 to 95 for more detail on our sustainability initiatives



# How we create value

## F Financial capital

*Funding available to Premier from shareholders, debt providers and retained profits/ cash generated from operations.*

### INPUTS

**Market capitalisation**  
R16.6bn

**Net debt**  
R1.7bn

*Further reading:  
CFO's review on pages 64 to 68.*

### ACTIONS TO CREATE VALUE

**Aligned our capital plan with our strategy of “Being brilliant at the basics”**

- Applied systematic focus on being the lowest cost producer in the Millbake category
- Identified margin enhancement opportunities
- Growth in adjacent categories
- Adopted clear procurement strategies
- Optimised supply chain
- Manufacturing capacity planning aligned to strategic growth plans with focus on revenue growth
- Debt reduction through voluntary capital payments

### OUTCOMES

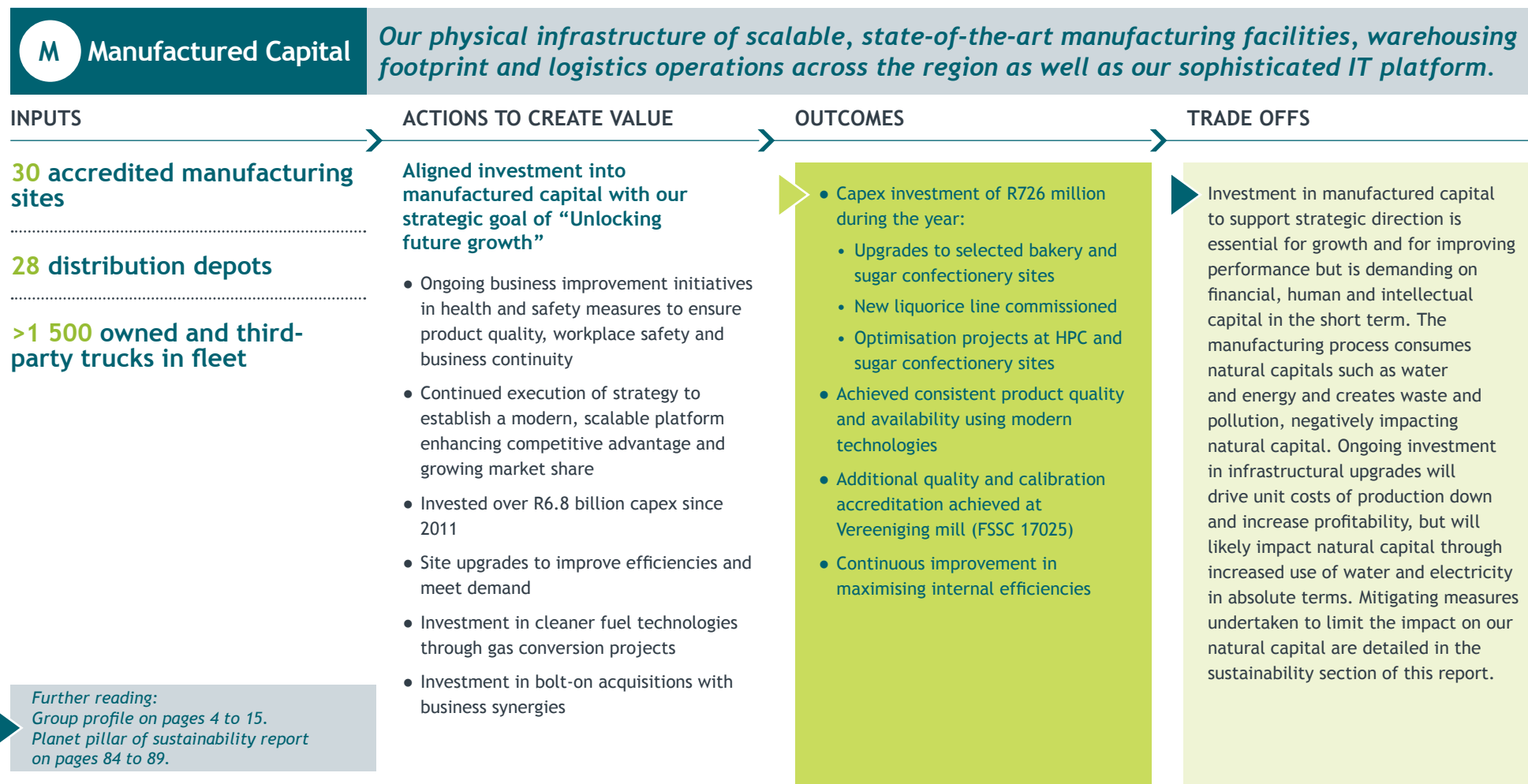
- Market capitalisation increased from R7.9 billion to R16.6 billion
- R2.4 billion EBITDA, +15%
- EBITDA margin 11.8%, +80 bps
- HEPS of 943 cps, +27%
- ROIC of 24.9%, +250 bps
- R2.4 billion cash generated from operations
- Cash conversion of 73%
- Net interest paid of R304 million
- Leverage ratio reduced to 0.7x from 0.9x
- Cash dividend of 271 cps declared

### TRADE OFFS

Our business is dependent on financial capital in order to sustain and grow operations. Capital investment in manufacturing facilities provides the stimulus for long-term growth. Finding a balance between investing for future returns and generating shareholder returns in the short term presents financial capital trade offs for management. The deployment of our financial capital typically produces positive outcomes on the other capitals with some natural capital emissions trade offs as a result of the impact of volume growth.



## How we create value continued



## How we create value continued



## How we create value continued



## How we create value continued



## How we create value continued



# Stakeholder engagement

Participating in open and inclusive dialogue with key stakeholders supports our purpose, assists in monitoring material issues facing the Group and in finding appropriate responses to concerns and issues raised. This process enables Premier to develop and maintain trusted partnerships which are mutually beneficial and result in the mitigation of risks and manifest in sustainable value creation.

Premier recognises that stakeholders have differing needs and expectations and aims to respond appropriately to fulfil its various stakeholder obligations, both external and internal.



Stakeholder	Stakeholder expectations	Nature of engagement	Our response
<p><b>Consumers</b></p> <p>Creating value for our consumers through our brand offering supports Premier's purpose.</p>	<ul style="list-style-type: none"> <li>• Food safety</li> <li>• Value for money</li> <li>• Consistent quality</li> <li>• High nutritional content</li> <li>• Product labelling in line with regulations</li> <li>• Ethical and sustainable food production</li> <li>• Responsible brand communication and promotions</li> </ul>	<ul style="list-style-type: none"> <li>• Brand communication</li> <li>• Promotion in-and out of store               <ul style="list-style-type: none"> <li>• TV, radio, outdoor media, digital and social media and point-of-sale</li> </ul> </li> <li>• Informative and engaging brand packaging</li> <li>• Range of products and pack formats to meet specific consumer requirements</li> <li>• Raising brand recognition through various community upliftment initiatives</li> <li>• Informative websites</li> <li>• Customer Care line</li> </ul>	<p><b>Be brilliant at the basics</b></p> <ul style="list-style-type: none"> <li>• Adherence to food manufacturing safety protocols</li> <li>• Rigorous cost control measures</li> <li>• Deliver on brand promise and product offering</li> <li>• Recipe formulation to enhance nutritional value</li> <li>• Detailed product ingredient information provided</li> <li>• The cognisant management of the use of our natural capitals - water, energy and the reduction of waste</li> <li>• Ongoing packaging improvements to improve recyclability and reduce waste</li> <li>• Sustained community initiatives</li> <li>• Culture of innovation</li> <li>• Timeous response to consumer complaints</li> </ul>

*Further reading:  
Product pillar of sustainability report  
on pages 80 to 83.*

## Stakeholder engagement continued

Stakeholder	Stakeholder expectations	Nature of engagement	Our response
<p><b>Customers</b></p> <p>Establishing and protecting the strategic partnerships Premier has with our retail, wholesale, independent, food service and industrial customers, in local and export markets, is vital to ensure that our products are relevant, on the shelf and readily available to our consumers.</p> <p><i>Further reading: Communities pillar of sustainability report on 90 to 95.</i></p>	<ul style="list-style-type: none"> <li>• Fair and reasonable trade agreements</li> <li>• “Shelf health” - Consistent product quality, merchandising and availability at a fair price</li> <li>• Category growth development plans</li> <li>• Innovation in core Premier brands and private label solutions to grow basket and foster collaborative relationships</li> <li>• Long-term growth horizons</li> <li>• Ethical product supply</li> <li>• Product labelling compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Annual strategic top-to-top engagement</li> <li>• Joint business planning workshops</li> <li>• Service provider alignment sessions</li> <li>• Formal and informal trade engagements</li> <li>• Reliable product delivery</li> </ul>	<p><b>Be brilliant at the basics</b></p> <ul style="list-style-type: none"> <li>• Relentless adherence to food manufacturing safety protocols, ensuring a food safety culture</li> <li>• Application of AVAA – accessibility, visibility, affordability and availability strategies</li> <li>• Address area of under location</li> <li>• Forward share management</li> <li>• Relationship building with strategic suppliers</li> <li>• Innovative responses to food trends</li> <li>• Effective promotions that deliver mutual benefits</li> </ul>
<p><b>Communities and non-profit organisations</b></p> <p>Premier aims to fulfil its sustainability vision of “Earning the right to operate in our communities by being mindful of our responsibility to society and the planet”.</p> <p><i>Further reading: Communities pillar of sustainability report on 90 to 95.</i></p>	<ul style="list-style-type: none"> <li>• Employment opportunities</li> <li>• Upliftment of impoverished communities</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate Social Investment (CSI) projects</li> <li>• Training programmes to upskill community members</li> <li>• Community engagement</li> </ul>	<p><b>Earn the right to operate in our communities</b></p> <ul style="list-style-type: none"> <li>• Ongoing commitment to and investment in extensive CSI and Enterprise Development programmes focusing on nutrition, menstrual hygiene and education</li> <li>• Distribution of meal and sanitary product donations</li> <li>• Upliftment programmes to improve local infrastructure</li> <li>• Enterprise Development programmes to support small businesses within informal communities</li> <li>• Skills development initiatives to help uplift impoverished communities and provide earning opportunities</li> <li>• Local community forum engagement and initiatives to improve business and community relations</li> </ul>

## Stakeholder engagement continued

Stakeholder	Stakeholder expectations	Nature of engagement	Our response
<p><b>Employees and employee representative bodies</b></p> <p>Premier people are the heartbeat of the organisation and help fulfil Premier's purpose. Transparent, regular communication encourages dignity and respect and a vibrant working environment.</p> <p><i>Further reading: People pillar of sustainability report on pages 74 to 79.</i></p>	<ul style="list-style-type: none"> <li>Engage workforce</li> <li>Fair and reasonable compensation</li> <li>Job security</li> <li>Safe working environment</li> <li>Adherence to human rights policies</li> <li>Career progression opportunities</li> <li>Skills development and training</li> <li>Open and regular communication</li> <li>Fair policies and practices aligned to code of good practice</li> </ul>	<ul style="list-style-type: none"> <li>Performance appraisals and scorecard system</li> <li>Union representative forums</li> <li>System of structured team engagement forums (Invocomms)</li> <li>Regular companywide communication newsletters</li> <li>Presentations and updates by the CEO</li> <li>Top 400 managers quarterly engagement</li> <li>Social events</li> <li>Employee hotline</li> <li>Recognition culture, annual awards and roadshows</li> <li>Culture workshops to promote diversity and inclusivity</li> </ul>	<p><b>Grow together to be the best</b></p> <ul style="list-style-type: none"> <li>Health and safety a priority with FSSC 22000 and ISO 9001 certification at the majority of sites with a relentless focus on avoiding injuries by driving a safety culture</li> <li>External benchmarking to ensure appropriate guaranteed pay scales to retain and attract talent</li> <li>Organised training programmes</li> <li>Active talent management processes to enable career progression</li> <li>Premier BEE Trust</li> </ul>
<p><b>Suppliers</b></p> <p>Developing mutually supportive relationships with our suppliers and service providers assists Premier in ensuring the reliability of internal and external customer service levels and with consistent supply of quality and in-specification materials.</p>	<ul style="list-style-type: none"> <li>Sustainable supply in compliance with carbon reduction and packaging waste reduction plans</li> <li>Honouring contractual terms and agreements</li> <li>Investment in Enterprise Supplier Development initiatives</li> <li>Building strategic relationships with suppliers to future-proof the business</li> </ul>	<ul style="list-style-type: none"> <li>Supplier meetings (online or in person)</li> <li>Presentations and assessments</li> <li>Review of performance and regular correspondence on developments via service level agreements</li> <li>Supplier quality audits</li> <li>Supply risk mitigation strategies</li> </ul>	<p><b>Grow together to be the best</b></p> <ul style="list-style-type: none"> <li>Discussions to provide insight into market conditions and sources of supply to ensure availability, business continuity, quality as well as cost management</li> <li>Enterprise Supplier Development initiatives supporting smaller suppliers to create mutually beneficial growth opportunities throughout the supply chain</li> <li>Development of new / innovative products, ingredients and packaging</li> </ul>

## Stakeholder engagement continued

Stakeholder	Stakeholder expectations	Nature of engagement	Our response
<p><b>Providers of financial resources</b></p> <p>Maintaining productive relationships with our shareholders and debt providers is fundamental to the sustainability and growth of the business.</p>	<ul style="list-style-type: none"> <li>• Consistent return on investment through growth in the share price and the payment of dividends</li> <li>• Meeting all debt covenants and repayment timelines</li> <li>• Emphasis on cash generation and effective risk management of capital</li> <li>• High standards of corporate governance applied</li> </ul>	<ul style="list-style-type: none"> <li>• Regular meetings and one-on-one interactions, including site visits</li> <li>• Annual and interim presentations</li> <li>• Investor meetings and roadshows</li> <li>• AGMs</li> <li>• SENS announcements</li> <li>• Website investor section at <a href="http://www.premierfmcg.com">www.premierfmcg.com</a></li> </ul>	<p><b>Unlock future growth</b></p> <ul style="list-style-type: none"> <li>• Rigorous strategic planning process to consolidate and benefit from opportunities</li> <li>• Determination and monitoring of a five-year growth plan</li> <li>• Continuous compliance with covenants</li> <li>• Ongoing internal and external integrity assessments of governance structures</li> <li>• Intention to conduct regular engagement enhancing accountability and transparency while maintaining competitive advantage</li> <li>• Culture of innovation and agility creating sustainable value for stakeholders</li> <li>• Application of procurement policies to mitigate exchange rate risk</li> </ul>
<p><b>Analysts and media</b></p> <p>Engaging with analysts provides our shareholders and potential investors with insights into our business which assists with their investment decisions and gives Premier the opportunity to provide first hand feedback about the Company performance and direction.</p>	<ul style="list-style-type: none"> <li>• Transparent and balanced disclosure</li> <li>• Regular access to management</li> <li>• Adequate response to Company issues through formal communication</li> </ul>	<ul style="list-style-type: none"> <li>• Interim and annual results presentations</li> <li>• Investor and media site visits</li> <li>• One-on-one meetings with key management</li> <li>• Media releases when required</li> </ul>	<ul style="list-style-type: none"> <li>• Open engagement to provide adequate disclosure, but being mindful to disclose information that is comparable to that of our peers</li> </ul>

*Further reading:  
CFO's review on pages 64 to 68.*

## Stakeholder engagement continued

Stakeholder	Stakeholder expectations	Nature of engagement	Our response
<p><b>Government and regulators</b></p> <p>Regular communication with government and regulators is essential for maintaining responsible corporate governance.</p> <p><i>Further reading: CEO's review on pages 53 to 55.</i></p>	<ul style="list-style-type: none"> <li>• Building collaborative relationships through open dialogue</li> <li>• Fulfillment of compliance requirements</li> <li>• Achieving B-BBEE targets</li> <li>• Food, product and operational safety</li> </ul>	<ul style="list-style-type: none"> <li>• Liaison with significant industry regulators and business associations</li> <li>• Engagement with relevant environmental regulatory bodies</li> <li>• Participation in government-initiated public forums</li> </ul>	<ul style="list-style-type: none"> <li>• Health and safety a priority with FSSC 22000 and ISO 9001 certification at the majority of sites</li> <li>• Culture of compliance through application of the Premier Way philosophy</li> <li>• Active collaboration with all three spheres of government - national, provincial and local</li> </ul>

OUR PRODUCTS AND PEOPLE MAKE  
A DIFFERENCE IN THE EVERYDAY  
LIVES OF OUR CONSUMERS



  
**Premier**  
Growing Together

# Material risks

In our quest to become a world-class supplier of quality consumer products, we are committed to effectively maintaining, implementing and monitoring the Group's risk management portfolio. Premier has established a rigorous set of risk management strategies minimising the likelihood and impact of both strategic and operational risk events, ensuring the growth and sustainability of our Company for the benefit of all our stakeholders.

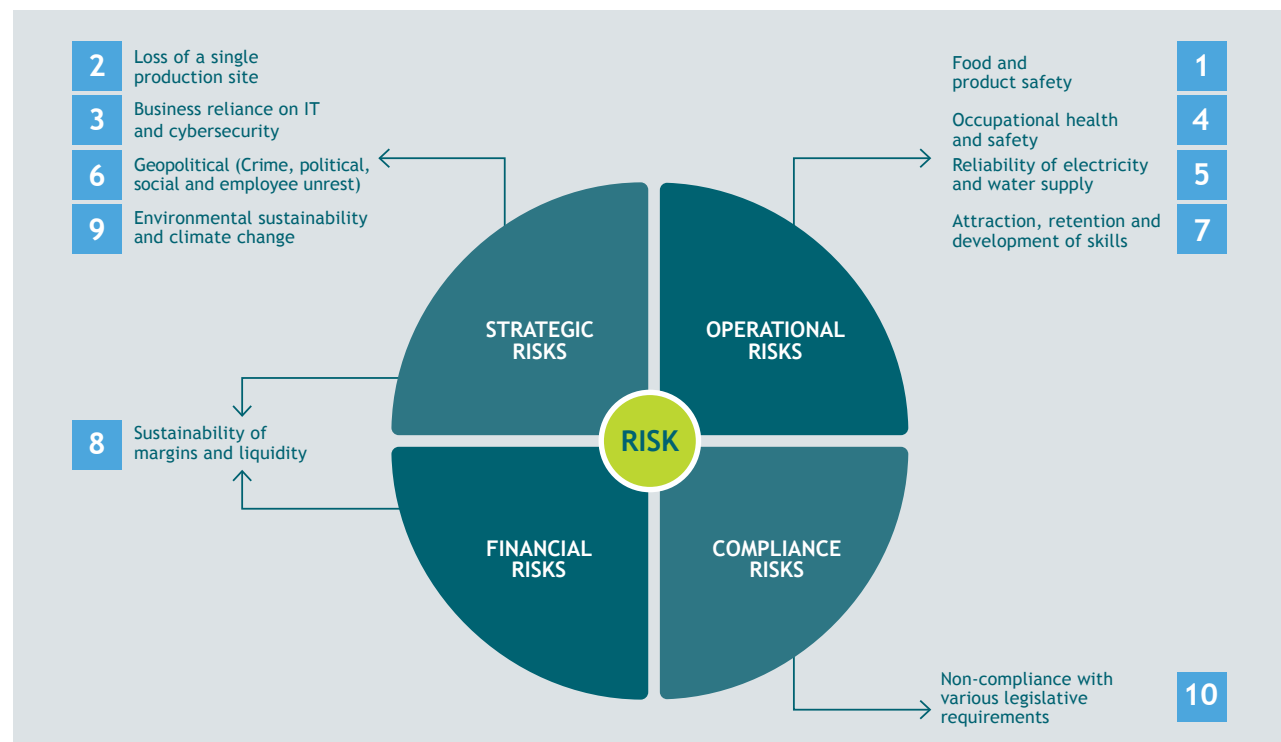
While the Board has ultimate responsibility for the oversight of the Group's strategic risk management process, it has mandated the Audit and Risk Committee to ensure that management maintains and implements the risk framework responsibly and effectively. The Audit and Risk Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit and Risk Committee is assisted in its oversight role by internal audit, conducted by governance and internal control as well as Ernst & Young. Internal audit undertakes both regular and *ad hoc* reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Committee. PwC conducts an annual external audit to review the financial risks of the business.

Divisional executives and senior business unit management are responsible for the management of the operational risk programme in their respective business units with the support of the central risk management team. Our operational risk management process is driven by a comprehensive risk management audit system, striving towards ISO 45001, identifying and closing the gaps on a continuous improvement basis.

To promote compliance with relevant environmental legislation, an environmental element is included as part of the risk management programme and implemented nationally based on ISO 14001. Premier aims to conform to a process of environmental risk management in compliance with best practice. Operational and strategic risk registers are updated quarterly, based on risks identified at site level

and at a macro level, to ensure business readiness in the face of potential risk events. The Audit and Risk Committee meets quarterly to monitor the evolution of the Group's risk register and the implementation thereof. In addition, the register is reviewed annually by the executive lead team and the Board.

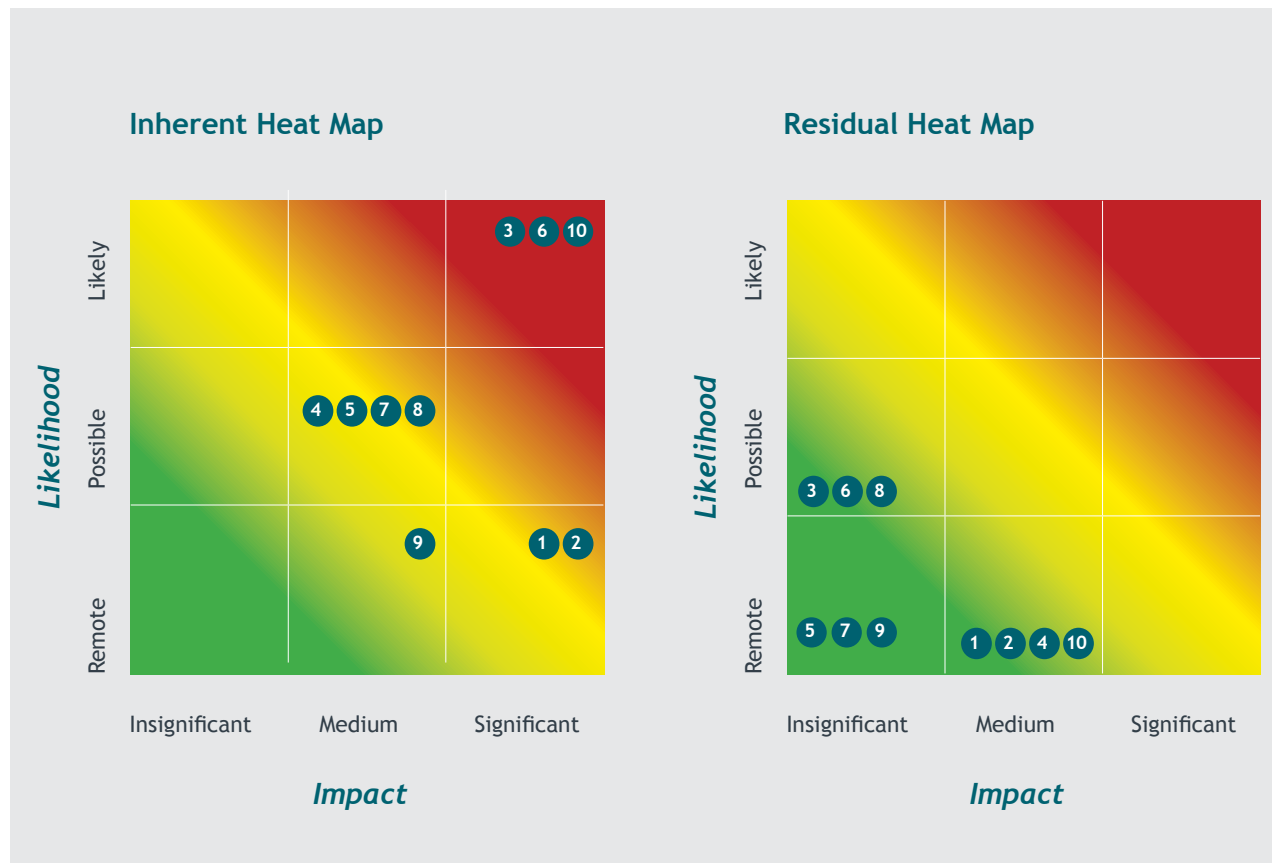
The Group's strategic risk register identifies our key material risks which have been determined by the executive committee with input from the lead management team. The material risks faced by the business are detailed below:



## Material risks continued

Fit-for-purpose risk management processes provide enterprise-wide assessments of the performance of our material risks.

These processes strengthen Premier's risk monitoring activities and enable us to remain agile in our responses to risks, allow for continuous monitoring, enhance transparency and ability to detect and communicate changes in our environment. Risks are assessed to determine the adequacy of the controls and ensure that these remain within the approved risk appetite and tolerance levels. The heat maps below furnish a visual representation of the outcomes of the analysis of our material risks.



### No. Material Risk

- 1 Food and product safety
- 2 Loss of single production site
- 3 Business reliance on IT and cyber security
- 4 Occupational health and safety
- 5 Reliability of electricity and water supply
- 6 Geographical (Crime, political, social and employee unrest)
- 7 Attraction, retention and development of skills
- 8 Sustainability of margins and liquidity
- 9 Environmental sustainability and climate change
- 10 Non-compliance with various legislative requirements

## Material risks continued

MATERIAL RISK

1

### FOOD AND PRODUCT SAFETY

Further reading:  
Products pillar of sustainability report  
on pages 80 to 83.

Food and product safety is critical to our success and sustainability. Raw material inputs such as wheat and maize, which are our largest raw material inputs, production processes and packaging materials must comply with the highest manufacturing standards to ensure that safe, quality products are reliably delivered to the consumer. The risks associated with lapses in food and product safety protocols or sub-standard inputs are material and require proactive management and sustained attention. Any harm to our consumers or people is unacceptable to Premier and any allegation that our products are defective or contaminated, even if unfounded, could result in damaging business interruptions and potential product recalls.

#### OTHER RISKS INCLUDE:

- Reputational damage to the brand
- Quality claims from customers
- Imposition of fines and penalties
- Legal action instituted against Premier

#### MITIGATING CONTROLS AGAINST THE RISKS:

- Development and implementation of a compliance management framework, with groupwide monitoring and evaluation processes
- Continuous improvement department is ISO 9001 certified to strengthen the ISO 22000 certifications at operational level
- FSSC 22000 or ISO 22000 accreditation for all Premier sites and FSSC 22000 obtained for third-party manufacturing sites, including supplier audits where applicable
- Investment in infrastructure to harness state-of-the-art technology
- Ongoing training programmes to entrench best-practice behaviour
- Consumer complaint management process established to respond to issues appropriately
- Risks measured and managed using the Hazard Analysis Critical Control Point (HACCP) framework
- Vulnerability Assessment Critical Control Points (VACCP) to be done for all new raw materials



## Material risks continued

### MATERIAL RISK **2** LOSS OF A SINGLE PRODUCTION SITE

Premier, as with other manufacturing businesses, relies on the continued and efficient operation of our facilities. Any unplanned stoppages in production caused by a technical malfunction or other unforeseen event, particularly fire, could result in lower production volumes, inventories and revenues. Our South African maize for example, is milled at one major single site in Kroonstad, which accounts for 85% of our total capacity. If the manufacturing capacity was to be disrupted or inventory lost at that plant, we would need to incur significant costs. Similarly, if a third-party manufacturer was to suffer unexpected closure of a plant, Premier would need to source alternative product potentially at a higher cost.

#### MITIGATING CONTROLS AGAINST THE RISKS:

- Developed the single site risk plan, reviewed quarterly by site and annually by the central risk management team, to anticipate risks and monitor processes
- Comprehensive fire detection and prevention procedures installed and audited by professional service providers
- Established a diversified supply chain with a number of third-party manufacturers
- Conduct regular review of, and relationship-building with, backup suppliers or manufacturers
- Upgrading of outdated machinery and adequate maintenance of infrastructure and machinery
- Business risk insurance



### MATERIAL RISK **3** BUSINESS RELIANCE ON INFORMATION TECHNOLOGY AND CYBERSECURITY

We are reliant on third-party IT systems and infrastructure to be available on a continuous and uninterrupted basis. The business opportunities that new technologies provide are essential to creating and maintaining competitive advantages but the proliferation and commercialisation of various forms of cyber crime, particularly in recent years, is a significant concern that requires continuous risk management. Failures, breakdowns or cyber security incidents affecting our IT could materially adversely affect our business through the inability to transact due to network outages, data loss, pressure on business processes or unauthorised access to data. Our computer and management systems could be harmed by a variety of circumstances, including disruptions to telecommunications infrastructure, insufficient capacity at IT centres, fire, power outages or damage and third-party attacks.

Furthermore, the POPI Act in South Africa requires that businesses comply with measures to protect the personal information of their customers. If Premier fails to meet any of the minimum standards as set out by the Act, it could lead to fines imposed by authorities, or reputational harm to our business.

#### MITIGATING CONTROLS AGAINST THE RISKS:

- Key information and business data backed up and stored in geographically redundant data storage systems. Backup frequency chosen to minimise risk of data loss
- Provision of multiple disaster recovery options and sites in the event of a major failure in core services
- All sites, including corporate, are equipped with redundant networks that are provided by multiple vendors to reduce risk of single-point failure
- Penetration tests performed on an *ad hoc* basis across systems to identify opportunities to improve
- Equipment kept current and configured to standard at all times
- Server platform upgrades completed to most recent version

## Material risks continued

MATERIAL RISK

4

### OCCUPATIONAL HEALTH AND SAFETY

*Further reading:  
People pillar of sustainability report  
on pages 74 to 79.*

The risks associated with poor health and safety governance processes can present significant operational risk hazards. The manufacturing environment needs to be carefully monitored and employees sufficiently trained to prevent injuries to people visiting or working at Premier premises. Through our integrated Risk Management Programme, a comprehensive compliance framework has been developed according to applicable health and safety legislation enabling Premier to implement best practice in the CPG industry. This framework is based on a customised grading system comprising six elements. A star is awarded for compliance with each element against a compliance standard of 97%, with the target requirement being a minimum of five stars. The framework is aligned to ISO 45001:2018 (Occupational Health and Safety) and ISO 14001:2015 (Environmental Compliance).

#### MITIGATING CONTROLS AGAINST THE RISKS:

- Ongoing focus on implementation of customised 6 Star Safety, Health and Environment rating system
- Employees provided with personal protective equipment (PPE) where necessary
- Training of first aiders for each site
- Emergency evacuation plans and drills established per site
- Visible health and safety signage at all sites
- Annual health and safety training
- Induction given to all new employees and visitors at manufacturing sites
- Health and safety topics communicated digitally across the organisation
- Access control to production areas
- Maintenance of infrastructure



## Material risks continued

MATERIAL RISK

5

### RELIABILITY OF ELECTRICITY AND WATER SUPPLY

*Further reading:  
Planet pillar of sustainability report  
on pages 84 to 89.*

Adequate, uninterrupted supply of water and electricity is critical for our production facilities to operate optimally. The national power grid is likely to remain stressed for several years and intermittent loadshedding is anticipated to continue until the grid is sufficiently upgraded and supported in part by deregulation of the renewables sector. Extended blackouts could have an effect on our ability to produce at full capacity or at all.

In some areas, municipal water infrastructure is ageing and unreliable and water supply needs to be supplemented by alternative sources. In the event of a fire, the availability of water is critical to control and minimise damage. In addition, water scarcity is becoming an increasing threat in South Africa which cannot be ignored. Water shortages could result in loss of production, and in the case of a fire, extensive damage to equipment and / or personnel.

#### MITIGATING CONTROLS AGAINST THE RISKS:

- As part of the business continuity plan, generators, which are designed to run the entire site, have been installed at all of our bakeries
- Surge and lightning protection equipment installed on our major machinery
- Solar installations to manage the transition during loadshedding have been implemented offering an alternative energy source with cost-saving potential
- Essential IT equipment connected to generators and increasing use of cloud services including daily backups
- All electrical installations at sites to have certificates of compliance
- Emergency water supplies and contracts in place for major sites
- A five-year facility plan implemented at all Millbake and Groceries sites to upgrade manual fire water protection systems
- Boreholes with filtration systems and water reservoirs installed at sites considered critical and those sites at higher risk of water shortages
- Buffer stock management processes implemented at mills and groceries sites

MATERIAL RISK

6

### GEOLOGICAL (CRIME, POLITICAL, SOCIAL AND EMPLOYEE UNREST)

A deteriorating macro-economic climate and challenging local political conditions, including the inability of the government to achieve political, social and economic stability, may result in further social and labour unrest and continuing high levels of crime both internal and external. Premier's informal bread business is particularly vulnerable to robbery attempts given the high proportion of cash sales made directly to customers. South Africa has a highly unionised work force and is subject to periodic planned and unplanned strike action. Such actions and, in particular, prolonged and frequent strike action may have a negative impact on our business and its customer base with business continuity being compromised, potential damage to property occurring and the safety of our people put at risk.

This risk is material for Premier and puts in jeopardy our fundamental purpose and the provision of staple food products to the nation.

#### MITIGATING CONTROLS AGAINST THE RISKS:

- Emphasis on creating a culture in line with the Premier Way, engaging staff and encouraging respect across all levels of seniority
- People and culture surveys conducted throughout the organisation and issues addressed responsibly
- Established strike contingency planning including ongoing management of buffer inventory levels and replenishments
- Compliance with all labour legislation
- Open communication with the unions and employees and engagement with shop stewards to address concerns
- Offsite monitoring and physical security measures as well as staff training
- Cashless payment methods are being piloted
- Vehicles operating in identified high-risk areas are fitted with cameras, signage and safes
- Reporting processes, dashboards, alerts and automations implemented to reduce the likelihood of a security event
- Engagement with regulatory bodies

## Material risks continued

MATERIAL RISK

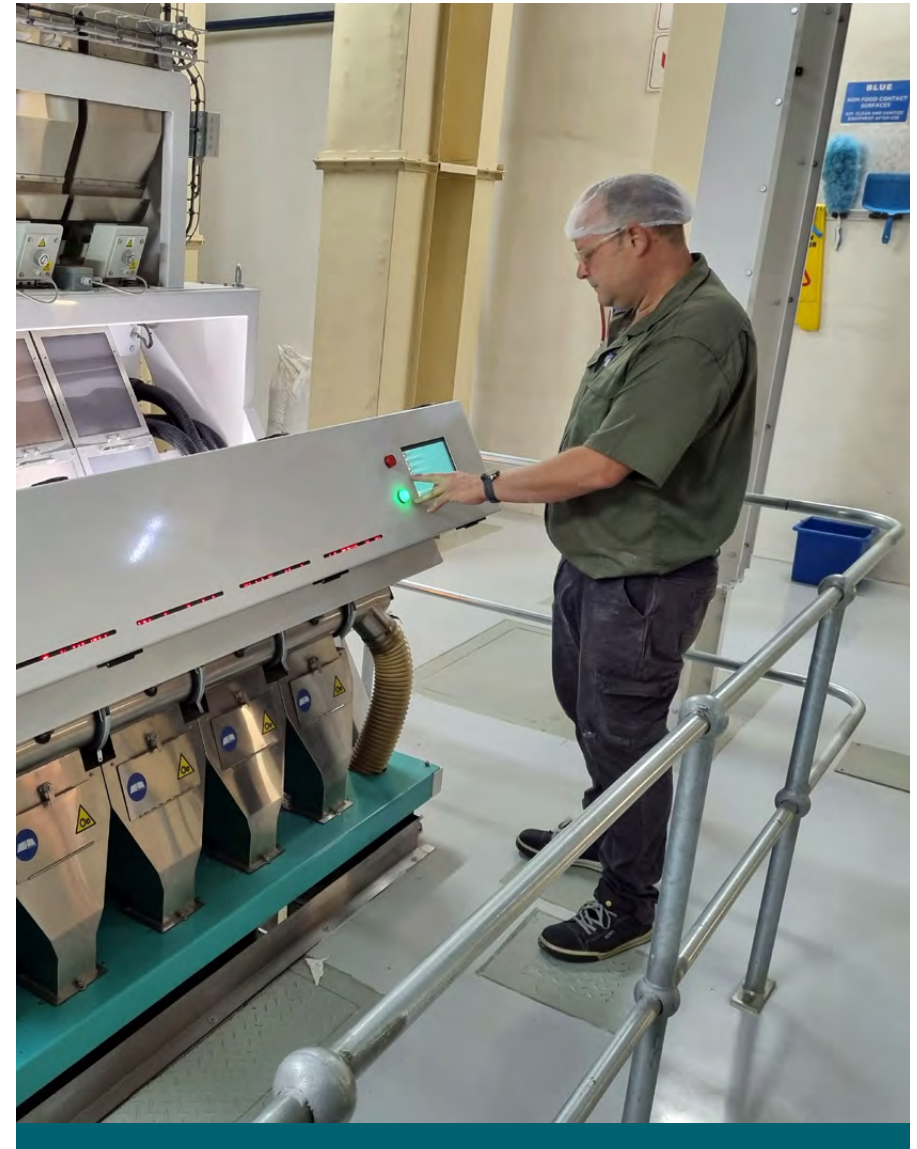
7

### ATTRACTION, RETENTION AND DEVELOPMENT OF SKILLS

The talent market within which we operate is extremely competitive. Failure to retain key personnel or to execute on its succession plans, or an inability to recruit additional personnel with the relevant skills and experience, presents a material risk to the business.

#### MITIGATING CONTROLS AGAINST THE RISKS:

- A high-performance culture instilled through the strategic process
- Talent analysis and retention programmes implemented with bi-annual talent reviews
- Market-related remuneration structure with external benchmarking for senior executives
- Training and career advancement opportunities provided
- Creative incentives to motivate staff
- Succession planning clearly communicated
- Rollout of DEIB culture workshops to promote inclusivity and belonging



## Material risks continued

MATERIAL RISK

8

### SUSTAINABILITY OF MARGINS AND LIQUIDITY

The sustainability of our margins is supported by a number of factors and adverse events may impact margins beyond our control. Premier is dependent on the consistent availability and quality of the essential raw materials we require to manufacture our products. Our two largest raw material inputs are maize and wheat used for milling and baking. Given that the price of these inputs is determined by international pricing mechanisms, global political, social and environmental events beyond Premier's control impact these commodity prices and may result in significant price volatility.

We currently contract in advance locally and globally for the supply of maize and wheat to manage fluctuations, but it would have a materially negative commercial impact if we were unable to secure adequate contracts in future at attractive pricing levels. In addition, any deterioration in the Rand: USD exchange rate impacts the price of wheat and maize and results in other knock-on inflationary price increases. Liquidity pressures as a result of rising input costs therefore also present a material risk.

Other disruptions in the sourcing of raw materials due to factors beyond the Premier's control, such as climate change induced droughts or floods, fluctuating quality, port delays or temporary shortages in the supply of raw materials, cause price volatility and can impact the sustainability of operating margins.

#### OTHER RISKS TO THE SUSTAINABILITY OF MARGINS INCLUDE:

- Growth of dealer-owned brands
- Challenges in passing on price increases in a low GDP environment with high levels of unemployment
- Product mix change towards more economical products with lower margins
- Power of retailers
- Sustained competitor activity by large players

#### MITIGATING CONTROLS AGAINST THE RISKS:

- Business strategies in place to manage the impact of external risks and pass on price increases
- Centralised procurement initiatives adopted
- Agreed currency hedging strategies implemented
- Ongoing negotiations with suppliers for cost reduction options
- Acquisitive growth strategy to grow into higher margin categories
- Sustainability initiatives undertaken to reduce waste and unnecessary resource consumption
- Product reformulations
- Product quality auditing of third-party manufacturers undertaken
- Lobbying of regulators



## Material risks continued

MATERIAL RISK

9

### ENVIRONMENTAL SUSTAINABILITY AND CLIMATE CHANGE

*Further reading:  
Planet pillar of sustainability report  
on pages 84 to 89.*

In order to continue creating value in the long term, the business must ensure that its current business practices are sustainable. Climate change is an undeniable reality which is material, complex and challenging to navigate strategically. Global warming manifests and impacts local business negatively in a number of ways. The increasing frequency of natural disasters such as the repeated and extensive regional flooding South Africa has experienced, displacing communities and destroying infrastructure, goes hand in hand with the severe water shortages caused by prolonged drought in other parts of the country.

This extreme volatility in weather patterns is becoming more frequent on a global level. This could negatively impact the quality and availability of essential raw materials, disrupt distribution and supply chains, damage equipment or reduce productivity which may potentially have a negative impact on our financial performance.

To help mitigate these risks tangible sustainability initiatives are a strategic priority for Premier. Resource conservation, waste and carbon emission reduction and a commitment to support the communities in which we operate, are the focus of our endeavours to manage the wide spectrum of sustainability-related risks. Additional risks include reputational damage, the imposition of fines and penalties such as carbon tax and legal action.

#### MITIGATING CONTROLS AGAINST THE RISKS:

- Appointment of a sustainability executive supported by the Social and Ethics Committee
- Comprehensive ESG strategy and regular Invocoms to monitor progress and concerns
- Development of a business improvement database to monitor the usage of our natural capital
- Determination of achievable sustainability targets and objectives
- Conscious commitment to adhere to relevant SDGs
- Application of the Reduce, Re-use and Recycle philosophy
- Plastic packaging reduction initiatives implemented
- Use of alternative fuels, optimisation of distribution routes, solar installations and waste reduction initiatives in place
- Monitoring of vehicle delivery routes and safe staff access during floods
- Implementation of our ESG strategy to contribute towards the achievement of global sustainability goals



## Material risks continued



MATERIAL RISK

10

### NON-COMPLIANCE WITH VARIOUS LEGISLATIVE REQUIREMENTS

Our facilities and operations are subject to rigorous environmental regulations including pollution control measures or limits for solid and hazardous waste, water discharge and air emissions. Non-compliance with these legislative requirements could result in fines, damages claims or requirements to install or retrofit equipment.

In addition, we are committed to adhering appropriately to the food industry legislation which is subject to extensive regulation and licensing requirements, such as the Consumer Protection Act, labour legislation and health, safety and environmental legislation in order to prevent any risk of non-compliance.

Premier is a member of the Polyolefin Responsibility Organisation NPC (Polyco) and Fibre Circle, organisations that have established and implemented extended producer responsibility schemes to control waste and pollution. It is our intention to adhere to the requirements set out by these organisations to sustainably mitigate and manage the impact we have on the environment. Premier is also registered at the Department of Forestry, Fisheries and the Environment (DFFE).

#### MITIGATING CONTROLS AGAINST THE RISKS:

- Standard operating procedures in place for product recall
- Regular quality audits undertaken at third-party manufacturing sites
- Health and safety managers deployed at manufacturing sites
- Assistance given to sites on a continuous basis by corporate risk team
- In-house master installation electrician to ensure standards and COC compliance
- Electricity and fire audits done annually



# 04

## Our Strategy

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How we deliver on our strategy	58

## CEO's review



Kobus Gertenbach

### Revenue

**R19.9bn**



### CAPEX

**R726m**

### Meals donated

**c. 33m**

*We take immense care and pride in being stewards of investor capital and remain committed to delivering sustainable, above-market returns to our shareholders.*

### Overview

Premier delivered exceptional highlights during the year under review. A gruelling listing process that started with an early-look roadshow during February 2022 was rewarded with the inclusion in the JSE All Share Index in September 2024. Premier initially entered at number 97 in the index and ended at number 83 by the end of March 2025. Shareholders that supported the IPO in March 2023 enjoyed a 140% increase in Premier's share price from listing at R53.82 to the 31 March 2025 closing price of R129.10.

Underpinning the recognition by the investor market was a seasoned executive team executing a consistent strategy of bringing exceptional quality products, manufactured in world-class facilities operated by a highly competent and engaged workforce, to the market with accurate and highly efficient sales and logistical operations.

The business continued the growth trajectory of previous years to deliver another set of stellar results despite being one of the more volatile periods from a soft commodity price perspective. The SAFEX maize price ranged between R4 835 and R6 920 per tonne, Thai and Indian rice fluctuated by more than \$200 per tonne, and the ZAR/USD exchange rate fluctuated between R17.08 and R19.24.

Premier's business is, however, more exposed to wheat prices which remained in a tighter trading range between R5 700 and R6 761 per tonne and ended the deflationary cycle during the second half of FY2025. Premier's revenue growth improved to 10.3% for H2 2025 while maintaining the H1 momentum in operational efficiencies to deliver double-digit operating profit growth. Multi-year investments in equipment, systems and processes to improve economies of scale, productivity and execution capability continue to enable Premier to sustain margins and deliver returns in excess of the cost of capital.

The renewed economic optimism following the formation of the Government of National Unity seems to have vindicated Premier's investment strategy to stay the course during times of increased economic uncertainty. Capital investment projects have been underway during the last year to rebuild the Aero-ton bakery in the south of Johannesburg, improve the manufacturing capabilities of the Sugar Confectionery factories in the East Rand, enhance the economies of scale of the HPC factory in eThekweni and increase the biscuit manufacturing capacity of CIM, the Mozambique business.

## CEO's review continued

*Premier has invested R2.8 billion in its facilities over the last five years, while generating sufficient organic cash flows to make R1.6 billion in voluntary debt repayments and pay R1.2 billion in dividends.*

Health and safety and product quality accreditations were maintained across the business including all FSSC 22000 and ISO 9001 (where appropriate) as well as Premier's own internal 6 Star health, safety and environmental accreditation system. Special recognition should go to the milling team that managed to attain SANAS Accredited Testing Laboratory status (ISO 17025) at Premier's Vereeniging wheat mill laboratory and in May 2025, at the Kroonstad maize mill laboratory, the only such accredited grain laboratories other than the South African Grain Laboratories.

Premier's sales, merchandising and supply chain operations have continued to work constructively with all customers to provide exceptional customer service and maintain service levels, product availability and forward share. The Group's marketing, sales and corporate social investment initiatives remain closely aligned and coordinated across all territories to foster symbiotic relationships to make a difference in the everyday lives of our consumers.

Premier's people agenda has continued to focus on extensive development of frontline workers, middle and senior management. We have made great strides in establishing healthy succession planning metrics across all operating divisions and more recently applied particular focus on executive leadership development as a key building block of our succession planning strategy. We will continue to progress these customised executive-level initiatives

enabling us to seamlessly deliver on our leadership succession plan. The quality, leadership capability and competency of our people remains the main driving force of our performance, and our training and development initiatives are well attuned to sustain a culture of continuous development.

### Board and governance

Premier's governance structures are compliant with the Companies Act, with an experienced Board and committees comprising the requisite number of non-executive directors. There have been no changes to the membership of the Board during the year. Jonathan Matthews resigned from the Audit and Risk Committee on 4 September 2024 and was replaced by Daan Ferreira. The composition of the remaining committees was unchanged.

We want to thank all the Board members for their valuable contributions in steering Premier through another successful year as a listed entity on the JSE. Management appreciates the support of the Board and looks forward to continued engagement to grow Premier's business and drive shareholder returns.

### ESG

Our sustainability journey remained high on our agenda this year and continued to manifest through demonstrable community actions which support our corporate strategy.

Continued focus has been on diversity, inclusivity, equity and belonging as the basis for constructive engagement with our workforce. The objective of this critical culture theme is to ensure that we future-proof Premier by enhancing skills, executing on our succession plans and ensuring we are an employer of choice. Premier's performance wouldn't

be possible without the commitment and combined actions from our biggest asset, our people. In FY2025, we invested R29 million in training, with over 6 400 training attendances registered.

Our focus on skills development goes beyond Premier and is aligned with our philosophy of "growing together". Through investment in external youth development, we help contribute to the education and nurturing of the next generation of leaders.

*In the last three years since listing, 59 CEO bursaries have been awarded to children of employees, and 298 disabled youths have been empowered through our Unemployed Disabled Learnership Programme. Other learnership programmes, building skills nationwide through various learnerships, apprenticeships, internships and graduate programmes, have benefited over 1 300 youths in the past three years, of which over 97% were ACI.*

Several community programmes initiated by our heritage brands, supporting entrepreneurship and empowerment, were implemented during the year. Approximately 33 million meals were distributed to our many communities in need through product donations of over one million tonnes of maize and wheat and 98 000 litres of maize-based beverages. Promoting gender equality, well-being and reducing period poverty remains key to our ESG strategy, culminating in over one million sanitary pads being donated. These initiatives enabled over 55 000 women and girls to remain in school or at work whilst menstruating. More details on our extensive CSI activities are detailed in our sustainability report on pages 69-95.

## CEO's review continued

Collaborative engagement with all spheres of government remains a strategic imperative, ensuring the provision of the necessary services and infrastructure we require as a business. Premier is also a proud contributor to Business for South Africa (B4SA), a platform for business leaders to help accelerate economic growth and create jobs by participating in key initiatives to unlock South African potential.

*Premier remains well positioned to deliver sustainable returns by staying “brilliant at the basics”, with a strong focus on efficiency, safety, operational excellence and execution - all while ensuring its products and people make a meaningful impact in consumers’ daily lives.*

## Outlook

Maize and rice price deflation is expected to provide significant price relief to the more vulnerable people in our society going forward, while detracting somewhat from the next year’s revenue growth. However, the normalisation of maize prices is expected to contribute to improved profitability in the maize category in FY2026 following difficult trading conditions during the past year caused by weather-induced inflation.

Extreme poverty in Mozambique, the election disputes and related civil unrest, followed by a significant currency shortage which is severely restricting payments for grain and other raw material imports, has tipped an already struggling economy into a dire position. In order to protect Premier’s Mozambique business, CIM, and its working capital, focus shifted during the year to direct local sales

to the informal market, and to growing exports. Some strengthening in currency flows was evident towards the end of the financial year which somewhat improved the outlook for trading conditions.

The next financial year will see the conclusion of numerous significant capex projects that are expected to support Premier’s growth for years to come. These projects are at an advanced stage, and our teams stand ready to commission the new facilities to realise their potential. Although some benefits will start to accrue in FY2026, the full year benefit of these projects will only come to fruition in FY2027.

We will maintain support of our people and communities in need through donations of product and financial assistance, continue to identify ways of reducing our carbon footprint and of eliminating waste in the manufacture and distribution of our products.

## Our people

A big thank you to the executive team, the senior leadership team, HODs, supervisors and front-line workers in Premier that have continued tirelessly to strive for excellence and execute at an even higher level of performance. I am humbled by your commitment, tenacity and determination to shift boundaries and challenge what is possible. We have unfinished business - I look forward to growing together to be the best.

**JJ Gertenbach**  
Chief Executive Officer



# Our executive committee



**Kobus Gertenbach (53)**

Chief Executive Officer

*Qualifications: BCompt (Honours); MCom; CA(SA)*

Date of appointment: 1 April 2021  
(joined Premier on 1 May 2011)



**Fritz Grobbelaar (47)**

Chief Financial Officer

*Qualifications: BCompt (Honours); CA(SA)*

Date of appointment: 2 August 2021



**Gavin Campbell (57)**

Managing Executive: Milling, Groceries and Africa

*Qualifications: IMM (Dip); MBA*

Date of appointment: 2 May 2013



**Rolf Hartmann (50)**

Managing Executive: Commercial

*Qualifications: BAcc (Honours); CA(SA)*

Date of appointment: 16 October 2023  
(joined Premier Board 27 July 2007)



**Siobhan O'Sullivan (59)**

Managing Executive: HPC, Group Strategy and Marketing

*Qualifications: BCom Business Economics (Honours); MBA*

Date of appointment: 1 November 2013



**Danie Simpson (59)**

Managing Executive: Bakeries

*Qualifications: N.Dip Manufacturing Management; EDP*

Date of appointment: 1 November 2012



**Julian Singonzo (56)**

Managing Executive: Environmental, Social and Regulatory

*Qualifications: Nursing Diploma; Bachelor Personnel Leadership (Honours); MBA (Entrepreneurship); EDP*

Date of appointment: 1 October 2021  
(joined Premier on 5 March 2013)



**Anastasia Sodalay (47)**

Managing Executive: Human Resources

*Qualifications: BSc*

Date of appointment: 1 May 2021



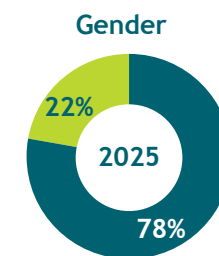
**Arnouw van der Schyf (53)**

Managing Executive: Group Sales

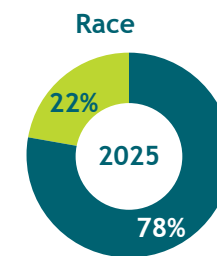
*Qualifications: BCom*

Date of appointment: 1 August 2011

## EXCO COMPOSITION

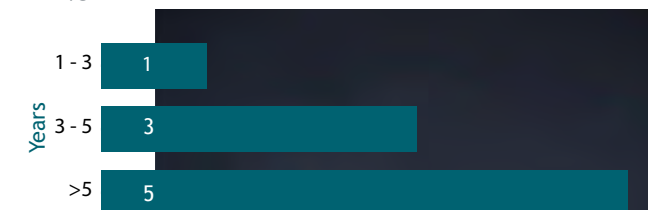


Male  
Female



White  
Black (including African, Indian and Coloured)

## TENURE



# Our strategy

Premier's strategic re-positioning, which began in 2011, has seen Premier's offering expand from a traditional focus on bread, wheat and maize, into a broader portfolio of product categories transforming it into one of South Africa's leading CPG packaged goods platforms with a built-in capability to scale further.

## Our strategic framework

Our growth strategy has remained steadfast for well over a decade and has enabled us to create long-term value through efficiencies, agile execution and systematic focus on being the lowest cost producer in the Millbake category.

In 2021, the strategy was reviewed to encourage a common understanding and commitment across the business to be inclusive of our 8 400 permanent and contracted employees.

*"This strategy has crafted the direction to position Premier at the forefront as one of South Africa's pre-eminent CPG companies"* Kobus Gertenbach, CEO.

Our philosophy of doing what is right has long been entrenched in our business approach. To formalise our commitment to good governance, our corporate strategy is aligned and integrated with our sustainability vision providing the guidance to deliver on our purpose and fulfil our responsibility to enhance food security, alleviate period poverty and to respect and protect our society together with the planet.

Our commitment to our PURPOSE of ensuring that our products and people make a difference in the everyday lives of our consumers has enabled Premier, our people, our suppliers, our customers and consumers, our brands and our communities to **GROW TOGETHER.**

Our strategic framework comprises four key interconnected pillars:



# How we deliver on our strategy

GROW  
TOGETHER  
TO BE  
THE BEST



**Growing together to be the best** is our commitment to our employees who are the heart of our business, and in turn their commitment to Premier is enabled through the Premier Way.

#### WE DELIVER ON THIS STRATEGIC PILLAR BY:

- Building an inclusive and diverse workplace where all employees have a sense of belonging
- Upskilling our employees to develop competence in all roles, build critical skills and enable personal and professional growth
- Transforming our business through relevant B-BBEE initiatives
- Enhancing the employee experience to become the employer of choice
- Assuring bench strength of key positions



BE  
BRILLIANT  
AT THE  
BASICS



**Being brilliant at the basics** in all functions and operations across the business is a strategic priority enabling our high-performance growth culture.

#### WE DELIVER ON THIS STRATEGIC PILLAR BY:

- Practising continuous improvement to be the lowest cost producer
- Pursuing best-in-class execution
- Pursuing relentless focus on quality
- Enabling fit-for-purpose products, processes and cross-functional efficiencies
- Offering a value-for-money proposition - right quality and price to meet shopper needs
- Ensuring timeous and complete availability (on-shelf and in the right outlets)
- Remaining agile and relevant



## How we deliver on our strategy continued

### UNLOCKING FUTURE GROWTH



Unlocking future growth to deliver attractive shareholder returns is a strategic imperative which we strive to achieve through investment in our facilities, our brands, in innovation and acquisitions. Several growth vectors have been identified to bolster our leading market position and support future growth.

#### WE DELIVER ON THIS STRATEGIC PILLAR BY:

- Portfolio optimisation
  - Growing our core business categories through investment in new technologies and expansionary capex
  - Leveraging our capabilities and strategic brands through innovation
  - Optimising our routes to market to build scale and efficiencies
  - Expanding our product basket through transformational, synergistic acquisition opportunities
  - Maximising internal efficiencies and capacity utilisation
- Market position
  - Achieving top 3 in respective category
  - Achieving top 2 in respective channel or region
  - Achieving >20% category share
- Geography
  - Growing our position nationally with depth of distribution and market penetration
- Expanding into the SADC region and the rest of Africa
- Expanding into additional international geographies via exports or distributors and third-party suppliers
- Synergies and benefits
  - Leveraging current warehousing and ambient distribution route to market
  - Leveraging sales and merchandising for cost savings and volume growth
  - Providing critical mass to the informal route to market
  - Ensuring procurement benefits as a result of scale
  - Optimising known technologies and processes
  - Ensuring value creation through category growth, market penetration and innovation

### EARNING THE RIGHT TO OPERATE IN OUR COMMUNITIES



Earning the right to operate in our communities supports our purpose and our sustainability vision through a focus on our people, our products, our planet and our communities.

#### WE DELIVER ON THIS STRATEGIC PILLAR BY:

- Prioritising the safety and well-being of our employees
- Providing safe, quality products that contribute to the nourishment and upliftment of society through compliance with relevant regulations and audits, and which are widely distributed, providing access to all
- Doing what is right, every day in all aspects of our business
- Limiting and mitigating our impact on the planet throughout our value chain with a focus on reducing energy, water and waste
- Contributing to social upliftment in the communities in which we operate through product donations and other community engagement initiatives
- Maintaining relationships with relevant industry, regulatory and governing bodies

## How we deliver on our strategy continued

OUR CORPORATE SCORECARD CLEARLY DEFINES THE PERFORMANCE MEASURES AGAINST WHICH WE BENCHMARK OUR STRATEGIC SUCCESSES.



### Unlock growth

- Achieved **ROIC** of **24.9%** well in excess of target
- Core business growth achieved with **compound annual growth** in **EBITDA** and marginal contribution exceeding targets
- **EBITDA margin** enhancement exceeding targeted measures
- Maintained focus on **lowest cost producer** initiatives through continuous improvement projects, facilities upgrades and responsible resource allocation
- Consistent application of **procurement policy** protecting margins



### Unlock growth continued

- Total **shareholder return** (HEPS plus dividend) of **29%** exceeding target
- **R726 million** of **capex** invested supporting long-term strategic growth plans
- **Bolt-on acquisitions** progressing strategy and creating synergies

▶ *Further reading:*  
CFO's review on pages 64 to 68.



### Continued to protect our employees and consumers by creating a culture of safety

- Consistent focus on **product safety** and regulatory compliance
- Overall improvement in customised health, safety and environmental **star ratings** for sites, meeting compliance targets
- **Improved** Disabling Injury Frequency Rate (DIFR) and achieving target
- Maintained site accreditations to ensure **quality** and **safety**
- First private wheat mill to achieve **FSSC 17025** accreditation in SA
- **Decrease** in consumer complaints

▶ *Further reading:*  
People / product pillar of sustainability report on pages 74 to 83.

## How we deliver on our strategy continued

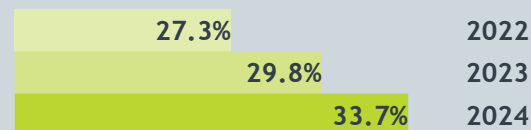
OUR CORPORATE SCORECARD CLEARLY DEFINES THE PERFORMANCE MEASURES AGAINST WHICH WE BENCHMARK OUR STRATEGIC SUCCESSES.



### Focus on fit-for-purpose products and services

- Consistent **product quality** and **delivery service**
- Variety of pack sizes to appeal to and support **price-conscious consumers**
- Driving down food **waste**

Premier's bread brand power score continues to increase, indicative of the growing strength of our brands in the minds of consumers<sup>(1)</sup>



(1) Kantar, Project Jabu 2024



### Ongoing initiatives to reduce our impact on the planet

- Maintain or improve Scope 1 and Scope 2 **emission intensities**
- Cleaner energy** initiatives helping reduce carbon emissions
  - Natural gas conversions at select sites
  - Electric and gas-powered vehicle trials
- Optimisation** of our packaging footprint
  - Further plastic **waste reduction** achieved through packaging modifications
- Signatory to two **Extended Producer Responsibility** programmes
- Continuous review and updates of **on-pack labelling** in line with regulations to provide transparency and build trust

**Further reading:**  
Planet pillar of sustainability report pages 84 to 89.



### Driven corporate, site and brand initiatives to build brand equity and market share

- Several sustained **community projects**, focusing on education and nutrition
- Sustainable **Enterprise Development** initiatives supporting communities and promoting entrepreneurship aligned with strategy
- R67 million** spent on product donations to alleviate hardship in our communities

**Further reading:**  
Communities pillar of sustainability report pages 90 to 95.

## How we deliver on our strategy continued

OUR CORPORATE SCORECARD CLEARLY DEFINES THE PERFORMANCE MEASURES AGAINST WHICH WE BENCHMARK OUR STRATEGIC SUCCESSES.



Living and leading  
by the Premier Way  
every day

- **High-performing** executive team
- **Succession planning** for critical leadership positions
- **DEIB** culture workshop rollout to build trust, mutual respect and a sense of belonging
- **Long-term excellence** in developing competent, engaged human capital

**Further reading:**  
People pillar of sustainability report  
on pages 74 to 79.



Commitment to  
socio-economic  
transformation,  
building diversity,  
equity and inclusivity

- Extended rollout of **DEIB** culture workshops to supervisory level
- YOY improvement in performance and positive **eNPS** reflected in engagement survey feedback
- Appropriate action plans per operational site and cross-functional department
- Maintained our **Level 4 B-BBEE rating**
- Active **talent pipeline** for critical and scarce skills with a strong focus on inclusivity and diversity
- **R29 million** spent on training and development

**Further reading:**  
People pillar of sustainability report  
on pages 74 to 79.



# 05



## Our Performance

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## CFO's review



Fritz Grobbelaar

EBITDA

**R2 354m**

14.7%

HEPS

**943 cents**

26.8%

ROIC

**24.9%**

250 bps

*Meticulous margin management and a focus on efficiencies has leveraged moderate revenue growth into meaningful improvement in operational earnings.*

### Overview

Lower global wheat prices compared with the prior year, as well as soft trading in the maize category driven by record high, weather-induced raw maize prices, detracted from revenue growth for the year. Premier manages the consolidated business based on a marginal contribution as changes in its revenue are heavily influenced by changes in global grain prices. Staying the course and maintaining a clear focus on our long-term strategy of investing in state-of-the-art facilities and the upskilling and engagement of our workforce has enabled Premier to deliver a stellar set of results showing resilience and delivering on its intention of creating sustainable value for its stakeholders.

At a macro level, despite the successful transition to a Government of National Unity and inflation moderating to below the middle of the target range, high interest rates, volatile soft commodity prices and low economic growth continue to besiege the consumer. Maize raw material prices reached record highs during the financial year, but are believed to have peaked by year-end. Currently, all indications are that prices will soften in the coming months, which should provide some relief to consumers.

Infrastructure challenges unfortunately persist, highlighted by the intermittent return of loadshedding and the ongoing water shortages in several municipalities. Despite these external challenges, Premier remains well positioned to continue delivering sustainable returns through a “brilliant at the basics” mentality, manifesting in our relentless focus on efficiencies, health and safety, operational optimisation and agile execution. More importantly we are absolutely focused and committed to our products and people making a difference in the everyday lives of our consumers.

We're excited about a number of achievements and initiatives underway this year. The Group's investments in its inland bakeries, the development of confectionery offerings and expansion of manufacturing and packaging capabilities for feminine hygiene products have all continued unabated. Nine months of Goldkeys' contribution as an associate has been included in the results, and progress is being made on expanding Goldkeys from a regional presence in KwaZulu-Natal to a national presence across partner retailers. To achieve this, investments are being made in product quality, brand building, consumer awareness and ensuring availability of the Goldkeys range in the retail and wholesale channels.

## CFO's review continued

Rice is a key staple in our consumers' basket and several synergies are emerging from our partnership with Goldkeys. Global rice prices ran up sharply in 2023/4, peaking in May 2024 and have been on a downward trajectory since then which has introduced volatility into the local market. In December 2024, Premier acquired a minority stake in ZEN Commodities Trading DWC-LLC (ZEN Commodities).

ZEN Commodities is a Dubai-based, soft commodities trading business that procures rice from Thailand and elsewhere for supply to rice packers in Southern Africa. Future plans for ZEN Commodities are to expand its customer base, as well as the range of commodities it supplies. Subsequent to the Goldkeys and ZEN Commodities acquisitions, Premier's service and product offering is more closely aligned with customer needs.

The Group's revenue increased by 7.0% to R19.9 billion, supported by revenue growth in both the Millbake and the Groceries and International divisions of 5.7% and 13.3% respectively. Moderate revenue growth was expected in the light of deflationary global wheat prices, the impact of high maize prices on consumer demand and a generally subdued economic environment.

## Financial review

		2025	2024	% var
Revenue	R'm	19 885	18 587	7.0
EBITDA	R'm	2 354	2 053	14.7
EBITDA margin	%	11.8	11.0	80 bps
Operating profit	R'm	1 909	1 633	16.9
Operating profit margin	%	9.6	8.8	80 bps
Net finance costs	R'm	306	367	(16.6)
Earnings per share	cents	936	715	31.0
Diluted earnings per share	Cents	898	705	27.3
Headline earnings	R'm	1 215	959	26.8
Headline earnings per share	cents	943	744	26.8
Diluted headline earnings per share	cents	904	734	23.2
Capex <sup>1</sup>	R'm	726	635	14.4
Group leverage ratio		0.7x	0.9x	
Dividend declared	cps	271	220	23.2
Return on invested capital <sup>2</sup>	%	24.9	22.4	250 bps
Return on equity <sup>3</sup>	%	30.6	30.9	(30) bps
Cash generated by operations	R'm	2 391	2 391	-

<sup>1</sup> Includes capex that was prepaid to suppliers mainly for the upgrade of the Aero-ton bakery.

<sup>2</sup> Refers to return on average invested capital adjusted for the historical revaluation of intangibles.

<sup>3</sup> Refers to return on equity adjusted for the historical revaluation of intangibles.

EBITDA increased by 14.7% to R2.4 billion. Millbake EBITDA grew by 14.7%, while the Groceries and International EBITDA grew by 9.2%. The Group's EBITDA margin improved by 80 basis points to 11.8% compared to the prior-year level of 11.0%.

Operating profit increased by 16.9% to R1.9 billion. The operating profit margin improved by 80 basis points to 9.6% when compared to the prior year.

Net finance costs decreased by 16.7% to R306 million, the result of debt repayments made on borrowings and the reduction of interest rates post the refinancing of the syndicated debt facilities during the year.

The effective tax rate for the year decreased to 26.0% from 27.2%.

Net profit increased by 31.1% to R1.2 billion, improving the net profit margin to 6.1%, an increase of 110 basis points over the prior year.

EPS increased by 31.0% to 936 cents and HEPS increased by 26.8% to 943 cents, when compared to the prior year.

## CFO's review continued

Cash generated from operations was in line with the prior year, at R2.4 billion, enabled by growth in EBITDA and supported by disciplined working capital management.

Net cash outflow from investing activities increased by 68.9% to R1.2 billion largely comprising capex (including prepaid capex) of R726 million invested in several site upgrades, including the Aero-ton bakery and the new liquorice line.

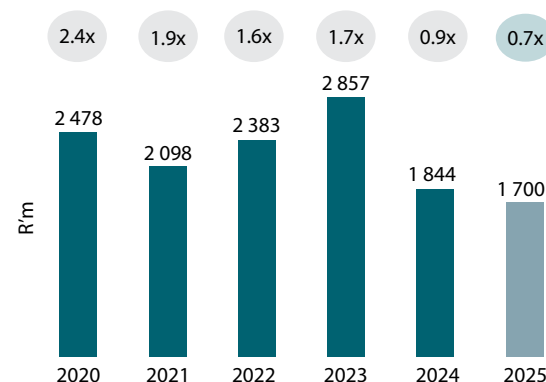
Corporate acquisitions were concluded to the value of R317 million. In June 2024, the Group acquired a 30% shareholding in Goldkeys for a purchase consideration of R314 million. In December 2024, Premier acquired a minority stake (13.3% shareholding) for a nominal value in ZEN Commodities and provided shareholder loan funding of \$6 million (R108 million) to ZEN Commodities (in proportion to its shareholding) to fund its operations.

The net cash outflow from financing facilities of R345 million mainly relates to R340 million of voluntary capital repayments, R161 million repaid on the Standard Bank facility and R200 million received upon the refinancing of the Syndicated Term and RCF facilities. The refinancing resulted in a reduction of the interest rates on the facilities to JIBAR plus 1.25% and extended maturity dates to 30 September 2028. At 31 March 2025, R1.4 billion on the Revolving Credit Facility remains available to drawdown for future funding needs if required.

Other material cash flows during the year include net interest paid of R304 million, tax paid of R442 million and dividends paid of R287 million.

The Group's net debt (including lease liabilities, but excluding the trade financing facility) on 31 March 2025 was R1.7 billion, translating into a leverage ratio of 0.7x (2024: 0.9x) for the Group. The cash generated by the Group has enabled it to continue reducing the leverage ratio compared to historical levels.

### Net debt evolution



Property, plant and equipment increased by R319 million, mainly attributable to additions of R690 million, which was partially offset by depreciation charges of R343 million and disposals of R17 million. A further R166 million of capex was prepaid to suppliers mainly for the upgrade of the Aero-ton bakery. Including the prepayments, the capex to revenue ratio was 3.7% (2024: 3.4%).

## Segmental Review

### MILLBAKE

		2025	2024	% var
Revenue	R'm	16 415	15 526	5.7
EBITDA	R'm	2 255	1 966	14.7
EBITDA margin	%	13.7	12.7	100 bps
Capex <sup>1</sup>	R'm	541	502	7.6

<sup>1</sup> Includes capex that was prepaid to suppliers mainly for the upgrade of the Aero-ton bakery.

The Millbake division achieved a stellar set of results, displaying resilience despite a challenging economic environment. Revenue increased by 5.7% to R16.4 billion and EBITDA increased by 14.7% to R2.3 billion. The EBITDA margin of 13.7% improved by 100 basis points compared to last year. The increase in revenue is attributable to a price/mix growth of 2% and volume growth of 4%.

Improvement in EBITDA continues to be driven by a resolute focus on efficiencies, a disciplined cost containment mindset and service-level excellence. The performance is also testimony to our ongoing investment in our sales, marketing and operational teams to ensure consistent quality and availability of our products in the market. Site efficiencies, attained through upgrades of several bakeries and wheat mills, and our relentless focus on product quality, recipe optimisation and best-in-class manufacturing processes continue to reflect in the quality and consistency of our premium Millbake products. Premier's bread brand power score, according to Kantar, increased from 27.3% in 2022 to 33.7% in 2024, indicative of the growing strength of our brands in the minds of consumers. The latest upgrade to our infrastructure stable, the Aero-ton mega-bakery, remains on track to be commissioned in the second half of FY2026.

## CFO's review continued

### Groceries and International

		2025	2024	% var
Revenue	R'm	3 470	3 061	13.3
EBITDA	R'm	233	214	9.2
EBITDA margin	%	6.7	7.0	(30) bps
Capex	R'm	153	121	27.4

A good performance was achieved in the Groceries and International division. The division's revenue increased by 13.3% to R3.5 billion and EBITDA increased by 9.2% to R233 million. The EBITDA margin declined slightly by 30 bps to 6.7% from 7.0% in the prior year.

The HPC category had a pleasing year. The additional capacity installed in tampon manufacturing and packaging at the eThekweni (Durban) facility remains ahead of efficiency targets. This has enabled improved service levels contributing to volume gains in the local business. The HPC supply chain strategy, focused on becoming the best cost manufacturer to drive market share and brand equity, is gaining traction. Revenue growth in the UK market continues to be supported by growth in the eCommerce channel, while increased promotional activity to protect the brand in the traditional channels detracted from the year's performance.

Sugar Confectionery's performance was disrupted by a three-week transformer-related power outage in April 2024, and a three-and-a-half-month strike at the Wadeville factory, both of which impacted service levels. The new private label contracts and product launches continue to gain momentum, reinforcing the strategic relationships we have with our key retail partners. The new liquorice line was commissioned in December 2024 as per plan, and will add exciting new product ranges to the confectionery offering. The first phase of site consolidations has been completed which is anticipated to enhance efficiencies between the two Sugar Confectionery sites.

Post-election tension and civil unrest in Mozambique impacted CIM's operations. Rising inflation continued to push food prices up, further constraining the Mozambican consumer, many of whom are facing extreme poverty. In addition, the country is experiencing a severe currency shortage, restricting grain and other raw material imports, which has tipped the economy into a dire situation. In order to protect the business and its working capital, focus shifted during the year to direct local sales to the informal market, and to growing exports. Some strengthening in currency flows was evident towards the end of the financial year which somewhat improved trading conditions.

### ROIC

ROIC improved by 250 basis points to 24.9%. ROIC is calculated by using net operating profit after tax (including the Group's share of net profit in equity-accounted investments) divided by average invested capital for the year which has been reduced for the historical revaluation of intangibles of R722 million.

R'm	2025	2024	2023
Equity	5 129	4 194	3 210
Adjustment: Revaluation of internally generated intangibles	(722)	(722)	(722)
Adjusted equity	4 407	3 472	2 488
Net debt	1 700	1 844	2 857
Adjusted invested capital - current year	6 107	5 316	5 345
Adjusted invested capital - prior year	5 316	5 345	
Average invested capital	5 712	5 331	
Operating profit	1 909	1 633	
Operating profit (1 - t)	1 394	1 192	
Share of net profit in equity-accounted investments	29	-	
Net operating profit after tax (incl. net profit from equity-accounted investments)	1 423	1 192	
Return on invested capital	24.9%	22.4%	

ROE decreased by 30 basis points to 30.6%. ROE is calculated using net profit attributable to the owners of the Company divided by equity reduced by the historical revaluation of intangibles.

## CFO's review continued

### Dividends

Premier is pleased to announce that, in line with its policy of paying out between 30% and 60% of diluted headline earnings per share as dividends, a final gross dividend of 271 cents per share (2024: 220 cents per share) has been declared out of the Company's reserves, in respect of both the ordinary shares of no-par value and the unlisted 'A' and 'A1' ordinary shares of no-par value, for the year ended 31 March 2025.

Cash flows over FY2025 remained ahead of expectations and the Company has shown strong deleveraging of the balance sheet ahead of initial guidance. Premier continues to maintain appropriate cash reserves to execute on committed capital requirements, as well as to retain flexibility to assess organic and inorganic growth opportunities as they may arise.

Furthermore, the Board is satisfied that the Company is solvent and liquid, and that it has sufficient capital and reserves after the payment of the final dividend to support its operations for the foreseeable future.

### Outlook

Moderate revenue growth is anticipated for the most part of FY2026 driven by substantial declines in maize input prices and subdued global wheat prices. Maize prices are expected to soften by mid-2025, which will enable Premier to pass through cost savings to burdened consumers. Local food inflation will be impacted in 2025 by Eskom tariff hikes and failing water infrastructure mitigation.

The two-year capital project to refurbish the Aeroton bakery to the standards of Premier's coastal sites and the mega-bakery in Tshwane (Pretoria) is expected to further enhance efficiencies and step change bread quality in the inland region. The Aeroton bakery will replace the capacity of three small-scale, older-generation bakeries in the region. Investments in the HPC factory, scheduled for commissioning during H1 2026, are expected to further improve efficiencies and economies of scale.

Premier will continue to look for corporate acquisitions and industry consolidation opportunities to broaden its footprint in consumer packaged goods. Management has a clearly defined set of criteria to assess opportunities and will remain disciplined in its efforts to augment its organic growth strategies and drive investor returns.

#### F Grobbelaar

*Chief Financial Officer*



# Sustainability report



**“Doing what is right”**

*is the premise of our business philosophy, the Premier Way.*

In building a resilient and sustainable business, we acknowledge that we have a long-term responsibility to care for and protect our people, our communities and the environment in which we operate. Where possible, we aim to minimise and mitigate any negative impact our activities may have so as not to compromise future generations, whilst maintaining focus on business continuity and food security. The sustainability strategy we have developed is intrinsically linked to our corporate strategy and aims to embed sustainable thinking and practices companywide.

In 2024, Premier celebrated its 200th birthday and a proud legacy of supporting our people and our communities while building iconic brands. Our corporate social responsibility programmes continue to make a difference to the lives of many focusing on nutrition, education and community upliftment. Through our food donations, we alleviate hunger and provide much-needed disaster relief nutrition and our menstrual hygiene product donations have improved the lives and dignity of many women and schoolgirls.



From an environmental perspective, the impact of climate change has become an undeniable reality and pressure on the planet’s finite resources continues to intensify. Stakeholder expectations for companies to respond appropriately continue to rise and growth cannot be relentlessly pursued without due consideration of its impact. Companies face significant challenges in meeting these demands from diverse stakeholders. Globally, consumers are requiring brands to display focus on sustainability matters to justify continued customer loyalty and premium pricing. Most South African consumers are primarily focused on immediate well-being but there is an increased awareness of the importance of ESG matters. We have committed to address our environmental footprint by identifying appropriate continuous improvement projects and aligning our progress with the relevant UN SDGs.

This sustainability report has been prepared with reference to the recommended sustainability disclosures outlined in the JSE Sustainability Disclosure Guidance issued in June 2022.

Our environmental database assists us in collating accurate reporting information which will provide the baseline data on which we can develop meaningful sustainability targets. These initiatives will improve Premier’s resilience and agility and further strengthen our stakeholder relationships into the future.

*“Earning the right to operate in our communities by being mindful of our responsibility to society and the planet”.*

▶ **Further reading:**  
Our strategy on pages 52 to 62.

## Sustainability report continued

### Our sustainability governance

The Group Social and Ethics Committee has an independent role with accountability to both the Board and the shareholders.

The Committee is mandated to assist with the governance of sustainability. It is required to monitor all ESG matters, including any sustainability risks relating to the Group, to ensure that the Group's activities support its intent to be a responsible corporate citizen and to assist in setting the tone for an ethical organisational culture. The Committee is responsible for monitoring the Group's standing in terms of the Companies Act, the United Nations Global Compact Principles, the Organisation of Economic Co-operation and Development's recommendations regarding corruption, which includes the International Labour Organisation's protocol on decent work and working conditions. In addition, it monitors the Group's adherence to the Employment Equity Act and to the Broad-Based Black Economic Empowerment Act.

During the year, the Committee met three times to review the ESG policy and to ensure relevance to the organisation and applicable legal requirements. Sustainability performance targets are included in the CEO and the ESG executive's scorecards, and have been cascaded down throughout the business to establish and maintain a companywide strategic focus on sustainability measures and demonstrate our commitment to making a positive impact.

Further reading:  
Our governance on  
pages 16 to 27.

### Our sustainability strategy

Through consultation with our business unit leaders, we developed a sustainability strategy which hinges on four pillars. These are detailed on the following pages:



## Sustainability report continued

### OUR PEOPLE



#### Full and productive employment

- Continued investment in skills development with a focus on:
  - Compliance training to ensure that our people are operating within required boundaries as determined by relevant rules and regulations
  - Critical and scarce skills development within our operating divisions
  - Leadership development across all levels in the organisation
  - High focus on supervisory and junior management development
- Proactive on-the-job training, mentorship and coaching for performance improvement



#### Safety and compliance

- To provide a safe and secure working environment for all our employees, we focus on a variety of developmental, communication and compliance aspects
  - Ensuring compliance in terms of legal certification through continued skilling and upskilling as per legal requirements
  - Developing a safety culture
  - Yearly OHS induction to ensure compliance and understanding



#### Diversity

- To promote diversity and inclusiveness within our business we:
  - Ensure all our policies and practices are fair, compliant and acceptable
  - Encourage inclusion and diversity across all of our teams and the commitment towards each other



#### Well-being

- To promote healthier lifestyles amongst all our employees
  - Annual health checks for all employees

### OUR PRODUCTS



#### Safety and security

- To ensure all products produced in our facilities and marketed under our brands do no harm or place employees and/or consumers at risk by:
  - Compliance certification/accreditations/regulations including on-pack claims where relevant (vegan, Halaal, organic, etc.)
  - Transparency on ingredients for consumer protection and information
  - A commitment to quality
  - Ensure equity, inclusiveness and protection of employee and consumer data



#### Availability and accessibility

- To improve access to nutritional food products by providing consumers with a choice of products, available in diverse trade outlets at affordable price points, and fortified as per regulations
- To improve access to sanitary protection by providing consumers with a range of products, available in diverse trade outlets at affordable price points
- Constantly improve our product offering to meet evolving consumer needs

## Sustainability report continued

### OUR PLANET



#### Climate change

- Recognising that climate change is a global challenge in scale, urgency and complexity of action, Premier will work to:
  - Reduce the impact of our operations on climate change through promotion of cleaner business practices
  - Strengthen our adaptation and resilience to climate change induced impacts on our operations, energy and raw material availability
  - Support a just transition to a net zero economy by continuing to create decent jobs and skills development



#### Energy

- To reduce the energy required to produce and distribute our products whilst continuing to grow our business by investing in improved and / or alternative energy sources such as solar power, alternative fuels, new transport fleets, improved route management and improved technologies



#### Water

- Premier recognises that water is a scarce and vital resource in South Africa
- We will continue to pursue projects that reduce the amount of water used to produce our products and promote the use of waste and/or recycled water where required
- Educate our employees and communities on the need to be Water Wise



#### Waste

- We support a Reduce, Re-use and Recycle philosophy in our manufacturing facilities and offices



#### Sourcing

- To promote a more sustainable sourcing policy not only in terms of ingredients and materials, but also factoring in human rights, gender, diversity and inclusion

### OUR COMMUNITIES



#### Nutrition

- To promote healthy nutrition and health awareness amongst our consumers through on-pack communication, food donation and other relevant outreach programmes in targeted communities
- We continuously strive to provide a choice of nourishing products to add value to consumers' lives



#### Education

- Premier believes that the future of our country is dependent on access to and improved standards of education
  - Through our bursaries, graduate internships and learnerships, we aim to assist and develop unemployed youth and people with disabilities
  - Through our brands, we will continue to support relevant initiatives that keep children at school and ensure that they benefit to the best of their abilities

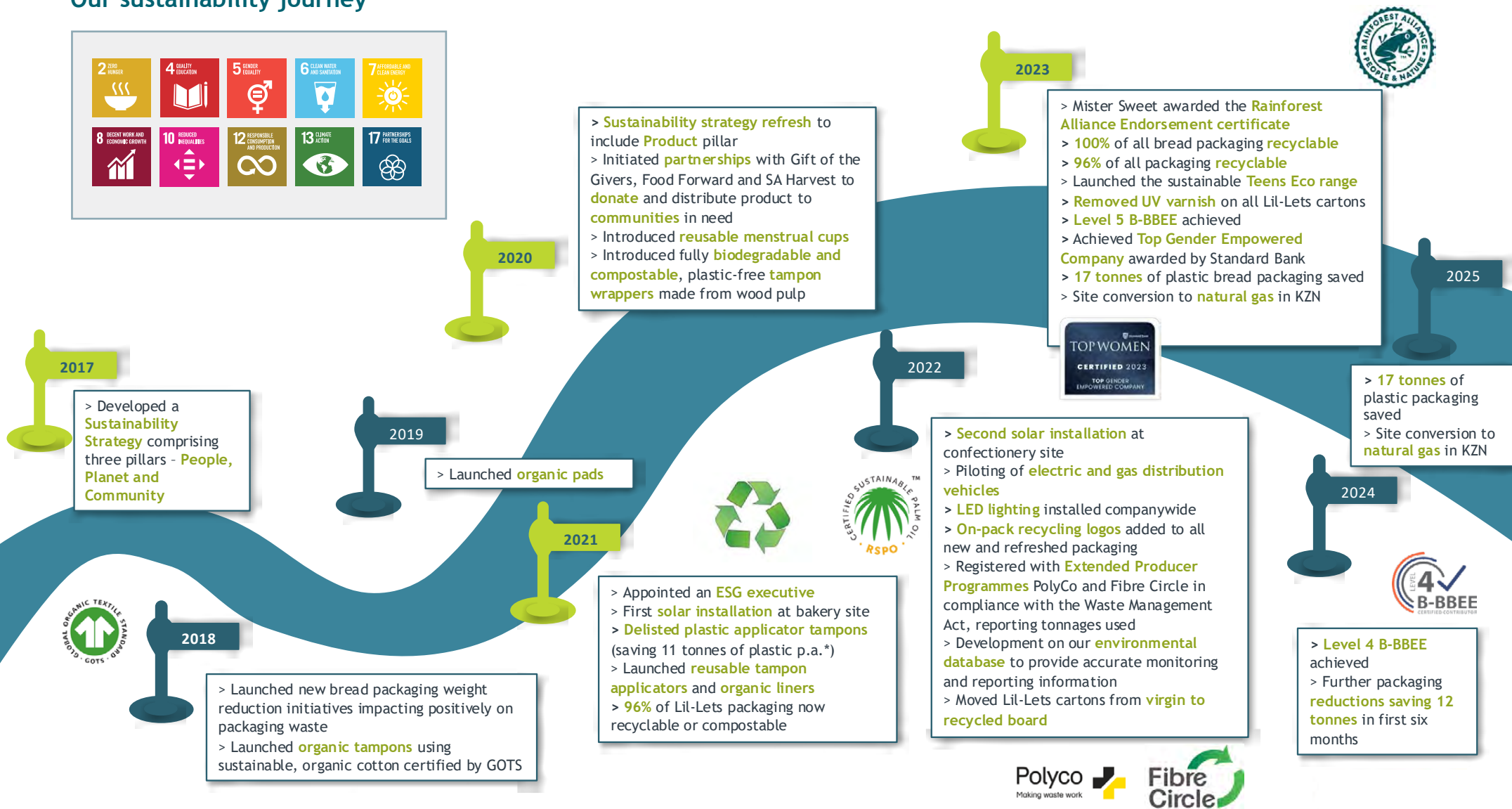


#### Community

- Premier will endeavour to empower the people in our communities to grow themselves and their communities via relevant social investment initiatives and partnerships

## Sustainability report continued

### Our sustainability journey



\* Management estimates

## Sustainability report continued

1

At Premier we strive for excellence and that ambition applies most significantly to our biggest asset, our people.

The continued growth and development of our workforce is essential to the sustainable economic growth of our business. The Premier Way defines our strategy execution model focusing on the processes, structures and principles that guide and develop our culture of high performance. It defines the way we work, and how we manage and protect our people to develop a purpose-driven culture of inclusivity, transparency and an ambition to succeed. Through the application of our various employment governance policies, we aim to adhere to fair and equitable employment practices supporting gender equality, diversity and inclusivity.

South Africa has one of the highest and most enduring global inequality rates which has been perpetuated by low economic growth and low intergenerational mobility. Investment in skills development and promoting diversity is a national imperative to help alleviate this inequality and narrow the disproportionate income gaps. In support of this, Premier seeks to make a difference in the lives of its people through upskilling and providing growth opportunities with the potential to change lives permanently through the provision of safe, decent and fulfilling work.

OUR PEOPLE

The relevant UN SDGs that we have chosen to target for this pillar of the sustainability vision are the following:



### STRATEGIC MOTIVATION

#### QUALITY EDUCATION

- We have an ongoing focus on skills and leadership development, mentorship and coaching, providing learning opportunities for all.
- We support girls remaining in school whilst menstruating.



### HOW WE MADE A DIFFERENCE

- Employee training
- Premier Leadership Academy
- CEO Bursary Scheme
- Unemployed Disabled Learnership programmes
- Apprenticeships and internships
- Lil-Lets donations

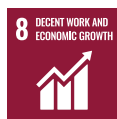


#### GENDER EQUALITY

- We work to end all forms of discrimination against women and girls.
- We aim to ensure equal opportunities in the workplace.
- We promote gender equality.



- #Lil-Lets Talk
- Menstrual hygiene product donations
- Diversity and inclusive culture
- Harassment policy
- 4-month, full-pay maternity leave



#### DECENT WORK & ECONOMIC GROWTH

- We promote full and productive employment that is fair for all in a safe and secure working environment.



- Health and safety benchmarks
- Collective bargaining participation
- Whistleblowing and grievance hotline
- Well-being initiatives



#### REDUCED INEQUALITIES

- We empower and promote inclusivity, irrespective of age, gender, disability, race, ethnicity, origin, religious, economic or other status.



- B-BBEE Level 4 contributor
- Living wage
- Enterprise Supplier Development
- Diversity and inclusivity culture workshops

## Sustainability report continued

### OUR PEOPLE

1



#### STAFF TRAINING

Our people are our **biggest asset** in our business. Providing courses focusing on the development of critical and/or scarce skills remains a top priority for Premier, not only to assure the development of in-house skills, but also to provide employees with portable, recognisable qualifications.

**28 employees** were awarded **study assistance** during the year contributing towards achieving a higher education qualification and supporting our commitment to invest in the education of our people.

#### UPSKILLING YOUTH

**Youth development** is a critical focus in this pillar. Investing in education and nurturing the next generation of leaders is ingrained in our values, supporting our philosophy of **“growing together”**.

The **CEO Bursary Scheme** provides dependants of Premier team members the opportunity to study for their first Higher Education qualification through a recognised institution.

### Full and productive employment

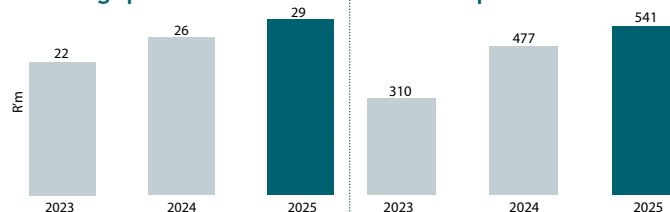
A continued focus on investment in skills development and ongoing employee engagement are the cornerstones of our people strategy.

Skills development is not only a priority for the business to ensure relevance and agility, but also to provide employment for our people that is full and productive and delivers long-term upliftment. Providing opportunities for individual growth and career progression through proactive talent management and development, on-the-job training, mentorship and coaching for performance improvement, help build a workforce that is motivated and engaged. We believe these opportunities attract and retain superior talent and will help us in progressing our employment equity strategy and succession plans.

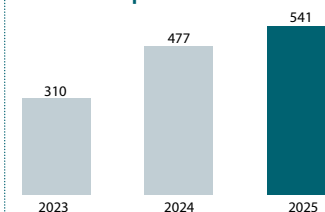
The Premier Way is our North Star providing a reference guide to the rules of the game within Premier and assists us in adhering to our commitment of providing fair, rewarding and equitable employment.



#### Training spend\*



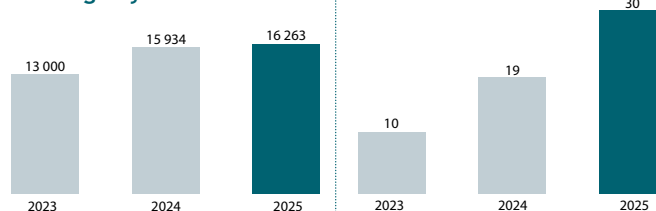
#### Learnership



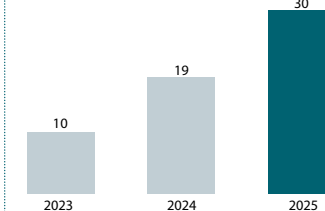
The third intake of our **Unemployed Disabled Learnership Programme**, which was launched in 2023, continues to gather momentum. The programme helps provide employment opportunities for unemployed youth supporting growth in the community. **298 disabled learners** have been upskilled by this programme over the past three years.

Other learnership programmes building skills nationwide through various learnerships, apprenticeships, internships and graduate programmes have benefited over **1 300 young people** in the past three years, of which over **97% were ACI**.

#### Training days



#### CEO bursaries



A plan to develop and accredit an in-house state-of-the-art **Technical Development Centre** remains on track. The centre will be designed to help supplement the development of critical and scarce technical skills which are required to maintain and operate our world-class infrastructure.

\* Direct and indirect spend

## Sustainability report continued

### OUR PEOPLE

1



More recently we have applied particular focus on **executive leadership development** as a key building block of our succession planning strategy. We will continue to progress these customised executive-level initiatives enabling us to seamlessly deliver on our leadership succession plan.

Premier is committed to ensuring an inclusive, collaborative working environment for all our employees to establish a sense of belonging and to unlock potential. We maintain clear and regular communication via different forums, physical and digital, including conducting **annual engagement surveys**.

As an employer of choice, the results of these engagement surveys, including our overall **employee net promoter score** (e-nps) and retention figures, are important strategic people metrics we apply to assess our culture and employee experience. In the latest anonymous pulse survey conducted during the year, feedback on progress with our diversity, equity, inclusion and belonging (**DEIB**) initiatives and performance was extremely positive, the highest scoring pillar in the survey.

### Full and productive employment

#### LEADERSHIP SKILLS

Developing future-fit leaders throughout all layers of the organisation, through a variety of leadership development initiatives, has been critical in ensuring the successful execution of our succession planning strategy.

We have made great strides in establishing healthy succession planning metrics across all operating divisions through the Premier **Leadership Academy**, in conjunction with the **Supervisory Development Programme**. These programmes enable our leaders to become competent, credible and confident people managers positively impacting our talent pipeline.

The pulse survey, designed to be authentic by ensuring the confidentiality of the results, was limited to high-impact areas considered critical to effective employee engagement. We will endeavour to maintain the positivity the culture workshops have generated and continue to look for ways in which to address areas flagged for improvement.

**45%** of the workforce is represented by a **Collective Bargaining Unit**.

Growth in the uptake of our **Enterprise Supplier Development** programme in bakery logistics, which was introduced three years ago, has been inspiring. This programme is aimed at supporting and uplifting small-scale distributors and providing employment opportunities.

The initiative has established **78 entrepreneurs**, provided access to skills training and **created over 148 jobs**.



## Sustainability report continued

### OUR PEOPLE

1



Continued effort has been applied in working towards improving site ratings based on our customised **6 Star Safety, Health and Environment rating system**. The system is aligned to ISO 45001:2018 (Occupational Health and Safety) and ISO 14001:2015 (Environmental Compliance). Focus areas include monitoring fire risk, emergency planning techniques, environmental impact, motor fleets, occupational health and safety and site security controls. Obtaining these certifications provides assurance to our service providers, customers and consumers that our products are safely manufactured.

**90%** of our **manufacturing sites** are rated with the targeted minimum of a **5 out of 6 Star rating**.



Improving the Star ratings of our recently acquired sites to this exacting Premier standard remains a priority.

### Safety and compliance

The health and safety of our employees is paramount and is prioritised in our planning and decision making.



In order to achieve and maintain a safe and compliant working environment, we have an established integrated Risk Management Programme which aims to ensure compliance with applicable Health and Safety legislation and to implement best practice in the CPG industry. The programme uses a customised grading system comprising six elements.

A star is awarded for compliance with each element against a compliance standard of 97%, with the target requirement being a minimum of five stars.

Premier's comprehensive **Harassment Policy**, covering all forms of harassment, gives a voice to and protects our employees. The policy was developed according to regulatory requirements and aims to provide appropriate procedures to deal with all types of harassment in the workplace and to prevent reoccurrence.



Internal grievances can be reported through the **Vuvuzela Hotline** both internally and externally and also via the **Customer Care line**. Premier has a **Crime Line** and an **Incident desk** for corruption and fraud incident whistleblowers.

**Vuvuzela Hotline** contact number:  
**0800 212 010**

**Whistleblowing Hotline email:**  
premierfmcg@thehotline.co.za

**Website:** [www.thehotline.co.za](http://www.thehotline.co.za)

**Health and safety training** and awareness programmes, for example first aid, fire prevention and emergency response, are regularly undertaken to reduce or prevent work injuries to employees and visitors to the sites, particularly in the manufacturing environment, through upskilling and education.

## Sustainability report continued

### OUR PEOPLE

1



The **Level 4 B-BBEE rating**, independently audited by Audit BEE, was maintained in 2025.



**95%** of total procurement spend with **local** suppliers.

**83%** of local procurement spend with **B-BBEE empowering** suppliers.

**15%** with **black-owned** suppliers and

**10%** with **black women-owned** suppliers.

### Diversity

Premier has committed to cementing a strong and inclusive organisational culture rooted in dignity and equality, through the development of a shared set of team and individual commitments creating a sense of belonging for every employee.



Promoting diversity within our business is a strategic imperative aligned with the Premier Way and brings with it a value-add that can be optimised for the benefit of the Company. We aim to achieve and maintain a workforce that is diverse in terms of gender, race, age, experience and skills. We have been proactive in addressing equality and diversity through our culture workshops, diversity and equity working groups as well as our various policies, which promote fair and equitable employment practices, and has provided a rigorous framework under which we operate.

We have applied a continued focus on **DEIB** as the basis for constructive engagement with our workforce. During the year, we reinforced the learnings and cascaded our culture workshops throughout the organisation. This rollout enabled all levels of employees, from senior management to supervisory level, to attend in-classroom workshops building awareness around critical cultural themes. The imperative aims to assist in **future-proofing** Premier through succession planning, enhancing skills and ensuring we are an **employer of choice**.

Positive feedback on the progress we have made with our DEIB initiatives was received via a **pulse survey** conducted during the year. We aim to maintain this **positivity** and ensure that we continuously improve employee perception regarding inclusion and belonging in the workplace. To further embed this culture, a DEIB entrenchment plan was introduced into our Premier Way Employee Handbook ensuring all new employees are on-boarded and trained accordingly.

Other measures include working towards transforming all levels of management, basic skills development plans and focusing on unemployed **learnerships, apprenticeships** and **junior management** development.

Premier is committed to achieving greater **gender diversity** and the **empowerment of women** in the workplace.

**4 months full-pay maternity leave** is available for all female employees, and our confectionery site at Mr Sweet, which employs a majority of women, has initiated an exceptional onsite support system for **pregnant women** and new mothers. Pregnant women are accommodated in safer working environments during their pregnancies, and shifts are limited to day shift hours for six months after the baby is born.

New mothers are able to utilise a dedicated express room during their shifts providing **privacy, dignity** and a **safe space**.

# Sustainability report continued

## OUR PEOPLE

1



### Well-being



Employee physical and mental health are critical to well-being and productivity which in turn protects our consumers by ensuring that attention to product quality is upheld.

Our free online **Employee Assistance Programme** has been operational for over a year. Accessible to all our employees, the anonymous service provides financial and legal advice, emotional and psychological guidance and counselling to boost and maintain employee morale.

Improvements have been made to our routine annual executive and management wellness assessments. Occupational medical health checks for every employee are conducted and a well-attended annual Wellness Day is held for corporate employees.

In support of **gender equality** in the workplace, over **70 000 free sanitary pads** were distributed to female members of our workforce.



## Sustainability report continued

### 2

Premier commits to ensure that the products we produce in our facilities and market under our brands do no harm.

A priority for Premier is to ensure food security by providing continued access to safe, quality, nutritious food options to our consumers. We are mindful of the importance of our products in the staple food basket. Wheat, maize and rice account for 60% of all calories consumed on the African continent.\* Food security, as defined by the United Nations, means that all people, at all times, have access to sufficient, safe, and nutritious food that meets their food preferences and dietary needs for an active and healthy life.

Contributing to food security is a critical element of Premier's strategy, particularly given the pressure on global food supply systems as a result of global geopolitical factors and climate change challenges. These crises impact poorer people the most. With a significant proportion of the South African population living below the upper-middle-income-country poverty line, affordability and availability of staple foods in South Africa is an essential focus for local food producers.

In addition to our food product options, our wide range of menstrual health products provide access to safe and effective sanitary protection. This supports our purpose of making a difference in the lives of our consumers promoting gender equality, maintaining access to education and the reduction of period poverty.

\* *The Conversation*, January 2024

### OUR PRODUCTS

The relevant UN SDGs that we have chosen to target for this pillar of the sustainability vision are the following:



#### STRATEGIC MOTIVATION

##### ZERO HUNGER

- Providing food security is a priority to ensure that sufficient safe and nutritious food choices are available.



#### HOW WE MADE A DIFFERENCE

- Food donations
- Focus on efficiencies and lowest cost
- Health and well-being
- Accessibility
- Wide staple food portfolio



##### GENDER EQUALITY

- We work to end all forms of discrimination against women and girls.
- We aim to ensure equal opportunities in the workplace.
- We promote gender equality.



- #Lil-Lets Talk
- Menstrual hygiene product donations
- Innovative products for women



##### RESPONSIBLE PRODUCTION & CONSUMPTION

- We support sustainable sourcing of essential ingredients where possible and transparency in product labelling.



- Responsible sourcing
- Product quality accreditations
- Health and well-being
- On-pack labelling

## Sustainability report continued

The two focus areas of this strategic pillar are detailed below:

### OUR PRODUCTS

2



Successful **accreditations** are essential in assisting the team with the management and maintenance of our health and safety standards, providing operational credibility as well as meeting the needs of our customers and consumers.

All our bakeries, mills, sugar confectionery and beverage plants are **FSSC 22000 (food safety management)** certified with the exception of the recently acquired George bakery in the Western Cape which is GFSI (Global Food Safety Initiative) certified. During the upgrade of the Aeroton bakery site, the Pretoria West bakery has been re-commissioned and is operating with a GFSI certification. Our CIM plant in Mozambique, which comprises a wheat mill, a maize mill, a pasta plant, a biscuit plant and an animal feeds plant, is FSSC 22000 certified.



### Safety and security

In order to fulfil our commitment to produce safe, quality products that do no harm or place employees and/or consumers at risk in any way, we strive to comply with appropriate certification and accreditation requirements in our manufacturing facilities.



The ongoing investment in site upgrades and relevant certification requirements ensure that our facilities remain state-of-the-art and our processes conform to best practice in the CPG industry, protecting our employees as well as our consumers. Maintaining the integrity of our brand reputation is critical to our sustainability.

Our central distribution depot, Lords View, based in Gauteng, providing warehousing and distribution services to our sites nationwide, is **ISO 22000** certified. Lords View is one of the largest green warehouses in South Africa and is largely powered by solar. Our head office Procurement, Research and Development and Packaging departments are **ISO 9001 (food safety standards)** certified.

Our HPC manufacturing site is **ISO 9001** certified as well as **British Retail Consortium (BRCS)** certified which enables Premier to export and supply to the feminine hygiene market in the UK.

Our Vereeniging wheat mill acquired the **ISO 17025** accreditation for testing and calibration during the year and in May 2025, the Kroonstad maize mill was also accredited, further enhancing our **in-house quality standards**, ensuring accuracy and reliability.

We endeavour to provide nutritious, healthy products which better people's lives through continuous **product improvement** and ingredient reformulation where necessary, for example mineral fortification and the reduction of sodium and sugars to meet consumer needs and regulatory requirements.

Providing accurate and detailed **on-pack information**, allowing consumers to make informed choices about the products they buy and consume, is important to us. Consumers expect a level of transparency, product integrity and value-add from their **trusted brands** which we strive to achieve.

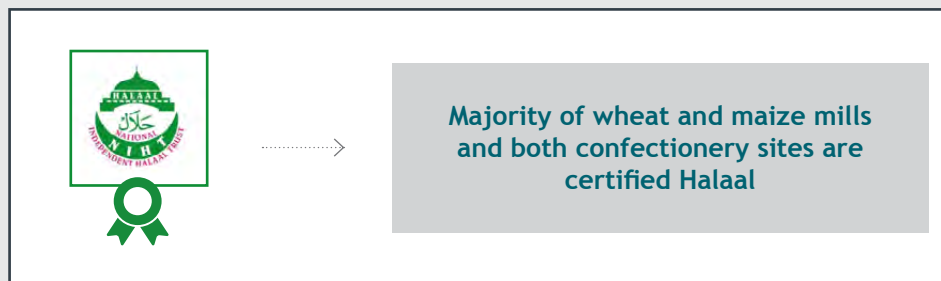
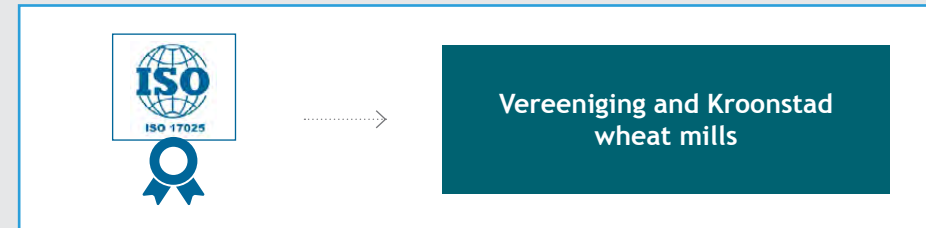
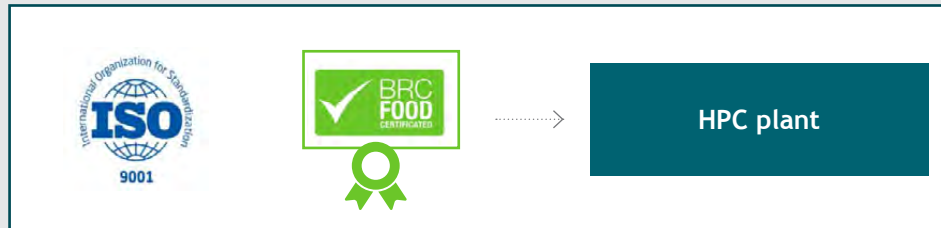
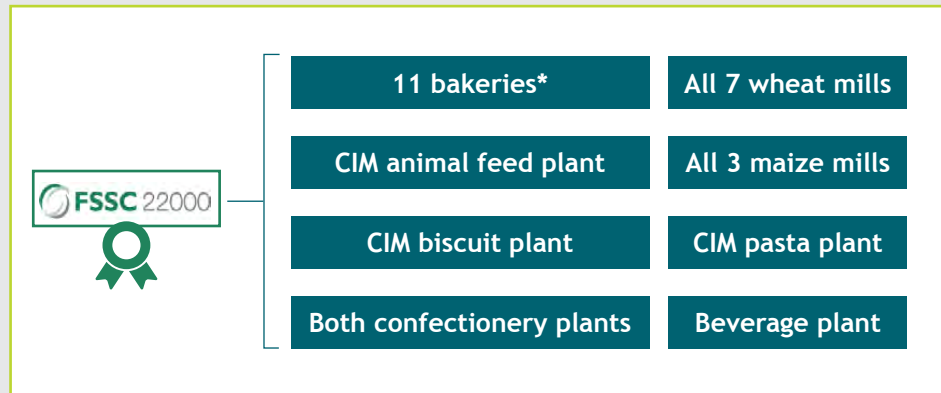
**No animal testing** is carried out or commissioned during the manufacture or development of our Lil-Lets products and all of our products are free from any animal derived ingredients. All Lil-Lets tampons are free from fragrance and chlorine bleach.

As part of our commitment to inclusivity and diversity we provide clear information on our products to guarantee product integrity and consumer protection. We indicate on our products those that are **Halaal, Kosher, vegan or organic**.

## Sustainability report continued

### Site compliance accreditation

Compliance with food, product and employee safety protocols is critical to our business.



\* George bakery and the re-commissioned Pretoria West bakeries have GFSI accreditation.

## Sustainability report continued

### OUR PRODUCTS

2



Premier's exceptional **logistics capability**, with a delivery fleet of

**> 1 500**

owned and third-party trucks, enables more than

**60 000 deliveries**

countrywide daily.

This platform distributes Premier's bakery products to a diverse range of formal and informal trade outlets reaching the broader population street by street.

Focusing on our strategic intent to be the lowest cost producer enables us to provide products at **affordable price points** doing our best to serve our consumers.

Resilience and reliability in our supply chain is critical to product availability. Empowering small-scale distributors through our Enterprise Development Programme has broadened our reach and sustainability by making our products more accessible to the informal market.

We have over

**38 brands**

in our product portfolio.

### Availability and accessibility

Given the high levels of poverty in South Africa and the lack of transport infrastructure in many areas, affordability and accessibility are fundamental considerations in the provision of both staple food and sanitary products.

Premier aims to play a part in ensuring that all consumers have daily access to nutritious food options that are affordable, as well as access to affordable sanitary protection.



Being cognisant of economic pressures on our consumers has inspired improvements to the breadth of our range with the introduction of different pack size options, as well as several innovative products and a growing **private label range**. Private label revenue has grown by 29% during the year with a portfolio of **>270 SKUs**.

Approximately **33 million meals** were donated and distributed in collaboration with our partner NGOs to communities in need during the year. **>1 million sanitary pads** were donated, in our communities and to our female employees, enabling **55 000** girls and women to stay in school or at work.



## Sustainability report continued

### 3

Putting action behind our purpose of “Earning the right to operate in our communities” has required an extensive examination of our footprint on the planet and how we manage our resources.

Responsible production and consumption, particularly given our dependency on natural resources, is critical to our business sustainability and to regional food security. Worldwide, unsustainable business practices have resulted in significant environmental degradation which threatens global food security and particularly the livelihoods of poorer communities.

In response to this, information on our manufacturing and distribution operations which have an impact on the environment, locally and regionally, has been collated in order to determine areas of focus for our sustainability projects to make sure that we are operating responsibly. Reducing carbon emissions and waste generation and improving our energy and water utilisation rates are the key areas of focus to ensure business sustainability and continuity. This process is enabling us to perform trend analysis to monitor progress against baselines and future targets.

### OUR PLANET

The relevant UN SDGs that we have chosen to target for this pillar of the sustainability vision are the following:



#### STRATEGIC MOTIVATION

##### CLEAN WATER & SANITATION

- Work to increase water use efficiency, where possible re-use and recycle water and access borehole water if available.



#### HOW WE MADE A DIFFERENCE

- Water effluent management
- Water storage facilities
- Installation of boreholes



##### AFFORDABLE & CLEAN ENERGY

- Develop an alternative energy strategy to increase the share of cleaner/renewable energy in our supply mix and improve energy efficiency.



- Solar installations
- Gas conversions
- Gas-and electric-powered vehicles
- LED technology



##### RESPONSIBLE PRODUCTION & CONSUMPTION

- Manage waste in production through initiatives that prevent, reduce or recycle.
- Support certified sustainable sourcing of essential inputs where possible.



- Repurposing of waste
- Recyclable packaging
- Plastic packaging reduction
- Recycling initiatives
- Responsible sourcing



##### CLIMATE ACTION

- Reduce our impact on climate change and mitigate the impact of climate change on our operations through strengthening our resilience and adaptive capacity.



- Recyclable packaging
- Plastic packaging reduction
- Repurposing of waste
- Route optimisation
- Responsible sourcing

## Sustainability report continued

The five focus areas of this strategic pillar are detailed below:

### OUR PLANET

3



#### Climate change

Climate change is a global challenge in scale, urgency and complexity of action.



It poses a threat to the availability and quality of raw materials through the prevalence of extreme weather conditions such as droughts and flooding, which drive food price inflation and impact food security. The earth's average surface temperature record was once again shattered in 2024, according to NASA scientists, being the hottest year since record keeping began in 1880. Every country's food supply is affected by the impact of climate change given the interconnectedness of the global food system.

We have committed to working towards reducing the impact of our operations on climate change through the promotion of cleaner, more efficient business practices. The projects which have been identified or implemented are detailed as part of our energy, waste, water and sourcing initiatives. In order to pursue a more sustainable business journey, Premier has also committed to strengthening our resilience and adapting to climate change induced impacts on our operations, energy availability and raw materials.



## Sustainability report continued

### OUR PLANET

3



The Pinetown bakery transitioned during the year to using **compressed natural gas (CNG)** and several additional bakeries are in the planning phase to convert once relevant environmental impact studies have been concluded and availability of supply has been confirmed.

Transitioning to cleaner energy alternatives has introduced sustainability benefits including less pollution from soot, improved combustion efficiency and potentially increasing the lifespan of our equipment.

Our current installed **solar capacity**, including the capacity at our Lordsview distribution centre, is 1 270KW, which **reduced GHG emissions** by **1 313 tCO<sub>2</sub>e**. Additional solar is planned to be integrated into the new Aeroton bakery site during the current upgrade phase.



### Energy

The reduction of fossil fuels required in the production and distribution of our products is an essential sustainability focus for our business.



Working towards a sustainable future, while continuing to grow our business, requires a dedicated investment to improve efficiency and transition to cleaner or renewable energy sources, such as natural gas and solar, where feasible. Premier tracks its direct emissions (Scope 1) and indirect emissions (Scope 2) so that it understands its carbon footprint. Premier has increased the share of cleaner and renewable energy in our supply mix and continues to implement measures to improve energy efficiency. It is not feasible currently to transition fully to green energy across the organisation, however the increase in the use of cleaner energy will be beneficial in many ways by reducing emission intensities, air pollution and improving the security of energy supply.

Conversions to natural gas from polyfuels and coal, which emits significantly less carbon dioxide and fewer pollutants, will help Premier move towards an energy profile that is more cost efficient and supports global climate change goals.

**Route optimisation** and further upgrades to the transport fleet continue to provide fuel savings and an associated reduction in greenhouse gas emissions.

We currently operate **16 CNG vehicles and 3 electric vehicles** which are being monitored for long-term reliability and performance. The results of this transition remain very positive, producing significant reductions in running costs and **51 tCO<sub>2</sub>e savings**.

Light-emitting diode (**LED**) technology and motion sensors are in place in offices companywide to **reduce energy usage** where possible.



## Sustainability report continued

### OUR PLANET

3

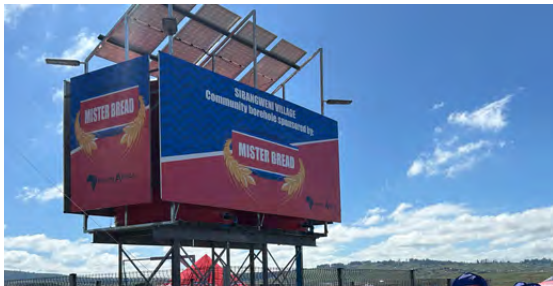


#### Water effluent management systems

have been installed where necessary as part of our compliance with regulatory requirements and to protect the water sub-systems.

All our bakeries have separation systems to eliminate oil and sand from the water released by our truck washing bays so that it can be released into the drainage systems preventing water contamination.

The risk of business interruption at some of our facilities, as a result of water shortages and supply constraints, has been mitigated by supplementing municipal water supply through the installation of additional water storage facilities or by sinking **boreholes** where feasible.



#### Water

South Africa is considered a water-stressed country receiving just over half the global average rainfall per year.\*



Water scarcity in South Africa is a complex issue. The demand for water is rising with population growth, urbanisation and industrial demand but is impacted by failing municipal infrastructure, water loss through leakages as well as the effects of climate change. In recognising that water is a scarce but vital resource and that we have a collective responsibility to preserve it, we continue to identify and execute on projects that reduce the amount of water required to produce our products and that facilitate the use of waste and recycled water or access underground sources.

\* JSE Sustainability Supplement Oct - Dec 2023

**Water storage tanks** have been installed at sites considered at risk from supply constraints to maintain water continuity and security during times of municipal disruptions.

The majority of our manufacturing sites have access to **borehole water**. An additional borehole was installed at our Mthatha bakery during the year.

The **Mthatha bakery initiative**, started in 2023 to provide clean water to communities experiencing severe water shortages in the area, continues to gain momentum. A water tanker no longer required by the bakery, subsequent to the installation of water tanks on site, has been repurposed to deliver clean water to communities in need. **>590 000 litres** of water were delivered during the year.

*“This is more than just building something - it’s giving people hope.”*

We are helping families get access to clean water, which means better hygiene, restored dignity and improved daily living.

Alongside this initiative, the **Mister Bread Community Borehole Project** was established. Guided by our strong sense of purpose, this initiative is **making a difference** in a nearby rural area. This region is home to about 5 000 residents who struggle every day to get clean water. In partnership with the local municipality, a borehole was installed which will harvest, treat and pump up to 150 000 - 200 000 litres of groundwater per year. This is a first-of-its-kind initiative, using solar power, off-grid infrastructure to ensure sustainable water access to the community. Donations of wheelbarrows by the bakery also assist with the transport of water to local households supporting people living with disabilities, child-headed households and the elderly.

The corporate office is designed to collect and utilise grey water where possible.

## Sustainability report continued

### OUR PLANET

3



Product safety is a critical focus for Premier and balancing this requirement with the reduction in packaging material is an ongoing trade off the business faces.

**96%** of our packaging materials are recyclable and **100% of our bread packaging** is recyclable.

A further **17 tonnes** of plastic packaging have been saved during the year through innovative **plastic reduction** projects setting this standard as the new normal.

Initiatives to repurpose and recycle bread packaging have been implemented countrywide such as the **Re.Bag.Re.Use** initiative supported by our Blue Ribbon bread brand. Blue Ribbon's commitment to sustainability not only targets environmental responsibility but also emphasises community empowerment. By **upcycling** their plastic bread bags through the Re.Bag.Re.Use. initiative, plastic waste is transformed into valuable products while simultaneously **upskilling women**.

### Waste

South Africa has limited availability of landfill space as well as operational challenges in managing waste.



Once disposed to landfill, waste is more difficult to re-purpose affecting its economic value, and if not managed correctly, organic waste produces methane, a harmful greenhouse gas. Reducing waste to landfill through designing for recyclability, packaging innovations to lessen the amount of packaging materials used and the beneficiation of organic food waste are examples of our continuous improvement mindset in contributing to a circular economy. We continue to research and focus effort into delivering improvements to packaging materials which are currently not recyclable.

Our **Coast2Coast Clean-Up** days continue to be a success, partnering with several environmental organisations and the Girl Guides. The initiative has a clear mission - to travel along the South African coastline, uniting communities and cleaning up cherished beaches simultaneously igniting awareness and educating consumers. This project aims to highlight the importance of the appropriate disposal of our product, plastic waste and the consequences for marine conservation. Premier sponsored and participated in **5 beach clean-up days** collaborating with the Save a Fishie Campaign, which helped remove over five tonnes of waste from our coastline.

We are signatories of two **Extended Producer Responsibility Organisations**, PolyCo and Fibre Circle, and are registered with the Department of Forestry, Fisheries and the Environment (**DFFE**) and have a Forest Stewardship Council certification (**FSCC**).

The HPC team continue to look for ways to reduce waste and green our menstrual hygiene products wherever possible - from introducing **organic** cottons, developing **re-usable** menstrual cups and tampon applicators to providing pads made from **biodegradable and compostable** plant-based materials. The latest pad innovation, launched in the UK during the year, is made from sustainably and **ethically sourced** bamboo.

**LIL-LETS COTTON WOOL RANGE IS**  
*100% pure organic cotton*



Meaning no synthetic pesticides, herbicides, genetically modified organisms (GMOs) or other harsh chemicals, *just pure cotton.*

## Sustainability report continued

### OUR PLANET

3



Responsible sourcing of **palm oil** is secured from an **RSPO-certified** distributor for the bakery and confectionery businesses. The **cocoa** we use in our chocolate products is sourced from sustainable point-of-origin suppliers certified by the **Rainforest Alliance**. These certifications protect against human rights abuses and promote sustainable farming practices for those ingredients.

The HPC business is committed to using **sustainable, organic cotton** with products sourced from **GOTS-certified** suppliers (Global Organic Textile Standard) as well as providing a range of GOTS-certified menstrual hygiene products. Sustainably and ethically sourced bamboo is used for our newly launched bamboo pads range. Our pledge to ethical sourcing ensures the safe and fair treatment of people and animals.



### Sourcing

Our sourcing policies ensure the continuity of supply of our quality products while upholding human rights in the supply chain and minimising our impact on the environment.



Maintaining food security is an ongoing challenge requiring a balance between the increasing need for food and nutrition and the social and environmental implications of continuously increasing production. Certain genetically modified (GM) crops, such as maize, are mandated by our government to address this issue. The DNA of genetically modified plants is altered to enhance the resilience of the crop by improving, for example, its resistance to insects and disease which results in improved yield and crop quality. Environmental benefits of this include a decrease in the need for pesticides, reduced contamination and water pollution, increased safety for farmworkers and communities, as well as less harm to animal life. Benefits of GM crops extend to food manufacturers and distributors as GM foods have an increased shelf life allowing for longer life spans for trade. There are downsides to using GM crops, for example the potential global dominance of seed manufacturers and the possibility that engineered genes may be cross-pollinated into conventional crops. These risks can be managed by controlled farming practices and diversification. Premier has a GM position statement which affirms the use of GM ingredients, such as maize and soya, for use in our product portfolio. The use of GM ingredients in our maize and samp products is transparently indicated on our packaging where relevant and our bread products, which contain less than 1%, require no regulatory labelling.

As part of our sustainability journey, our goal is to widen our focus and monitor the **integrity** of our supply chain going forward. We currently have risk-based quality auditing systems in place to audit our local raw material and packaging suppliers where necessary. We assist several of our **smaller suppliers** by providing funding and coaching to help with the internal compliance processes necessary to achieve the health and safety standards required in the CPG industry, commencing with the **HACCP** (Hazard Analysis Critical Control Point) certification.

Private label customers conduct independent compliance audits on Premier sites to establish compliance with **ISO 9001** in order to satisfy their internal compliance requirements.



Our **Legislative and Ethical Trading Initiative** (ETI) code compliance policy is intended to give voice to Premier's obligation to remain fully compliant with all South African legislation regarding the employment and management of people in the workplace. This supports the sustainable sourcing of essential inputs, where possible, and helps prevent **human rights abuses** in the supply chain.

## Sustainability report continued

### 4

### OUR COMMUNITIES

“Growing Together” is at the heart of our business philosophy of the Premier Way and our community projects have been driven by Premier’s purpose of nourishing and empowering communities to grow together.

These investments aim to not only contribute in the short term, but to provide longer-term upliftment, aligning our ESG strategy with a positive business impact. Entrenching our brands in the community has a wider benefit for the Group as well as the communities we serve.

We have forged numerous partnerships with formidable charitable organisations which has enabled us to be a part of wider initiatives significantly impacting the communities in which we operate. Food Forward, Gift of the Givers and SA Harvest, amongst others, facilitate the collection and distribution of our food and menstrual hygiene products allowing us to be a meaningful contributor and playing a part in making a difference. With more than 30 sites across the country employing over 8 400 people from local communities, our operations play a proactive role in disaster relief, food security, community cleanups and facilities upgrades.

We also recognise our role in improving access to education through the provision of learning materials and menstrual health education, holiday entrepreneurship programmes and donations of food and equipment to early learning centres.

The governance of Premier’s CSI activities is managed through the Social and Ethics Committee which is mandated by the Board to ensure responsible distribution of the allocated funds including the certification of the NGO and Section 18A beneficiaries.

The relevant UN SDGs that we have chosen to target for this pillar of the sustainability vision are the following:



#### STRATEGIC MOTIVATION

##### ZERO HUNGER

- Providing food security is a priority to ensure that sufficient safe and nutritious food choices are available.



#### HOW WE MADE A DIFFERENCE

- Food donations
- Focus on efficiencies and lowest cost
- Health and well-being
- Accessibility
- Wide staple food portfolio



##### QUALITY EDUCATION

- We have an ongoing focus on skills and leadership development, mentorship and coaching, providing learning opportunities for all.
- We support girls remaining in school whilst menstruating.



- #Lil-Lets Talk / Ask One Donate One
- Menstrual hygiene product donations
- Early learning centre upgrades
- Youth initiatives
- Bake-for-Profit



##### GENDER EQUALITY

- We work to end all forms of discrimination against women and girls.
- We aim to ensure equal opportunities in the workplace.
- We promote gender equality.



- Menstrual hygiene product donations
- #Lil-Lets Talk / Ask One Donate One
- Queen’s Trust
- Other period poverty initiatives



##### PARTNERSHIP FOR THE GOALS

- Through extensive CSI activities, we partner with local communities and NGOs to support the implementation of the UN SDGs through sharing of knowledge, financial resources and product donations.



- Product donations
- Partner charities
- Coast2Coast cleanups

## Sustainability report continued

The three focus areas of this strategic pillar are detailed below:

### OUR COMMUNITIES

4



Established **collaborations** with our partner NGOs including Food Forward, SA Harvest and Gift of the Givers, amongst others, enabled us to donate and distribute products to a wide cross-section of communities in need countrywide by leveraging their extensive distribution capabilities.

## R67 million

in total product donations equating to

## c.33 million meals

## >1 000 tonnes

of maize meal and wheat

## >98 000 litres

of maize-based beverages

### Nutrition

Food security in South Africa remains a challenge with a significant proportion of the population living below the poverty line.



From a nutritional perspective, the population suffers from the conflicting health issues of obesity and malnutrition. A significant proportion of the South African population is considered either overweight or obese contrasting with the high levels of hunger experienced daily. This inequality needs to be addressed by different societal sectors. A healthy diet is the first step towards upliftment. Our products are formulated to nourish consumers and promote health and wellness through tried and tested recipes which we continuously strive to improve on. Our wide range of affordable product choices ensure that we add value to our consumers' lives and our comprehensive on-pack communication assists consumers to make informed dietary choices where possible.

In line with our purpose, we have continued to support communities in need with significant levels of product donations. Through our several partner charities we have prioritised the donation of staple foods such as bread, maize and wheat, that are nutritious and filling, to communities that are struggling to make ends meet. We partner with bigger charitable organisations that have an established infrastructure and are best equipped to deliver food hampers to homes where food is scarce, reaching communities countrywide that need help the most. We also donate bread, maize, wheat, mageu and sanitary protection products to various other non-profit organisations within the communities in which we operate.

This year marked a pivotal shift for one of Premier's iconic milling brands, **Iwisa No. 1**, in delivering on its brand purpose of "**building strong communities** and empowering the individuals within them".

The newly launched **Iwisa No.1 Fills Good** campaign has helped address community need by promoting consumer action. Every purchase of Iwisa No.1 at participating wholesalers helped contribute to a local cause handpicked by the wholesalers - a simple yet powerful act of "**Purchasing with Purpose**".



## Sustainability report continued

### OUR COMMUNITIES

4



The **Lil-Lets Making a Difference** initiative has been a profoundly significant programme aimed at improving education, gender equality and dignity, through donations of menstrual hygiene products to help keep adolescent girls in school during their monthly cycles.

One of these initiatives, a collaboration between Lil-Lets South Africa and the Queen's Trust in Lesotho, **Hlokomela Banana**, has made great strides in reducing period poverty in the country's secondary and high schools. This programme enables companies and individuals to donate sanitary pads to schoolgirls by adopting and committing to selected girls' schools in Lesotho. Initiatives such as these promote **dignity and well-being**. 124 schools have been adopted since the launch of the initiative in 2023, supporting over **18 000 schoolgirls**.

Donations of

**>1 million pads**

to several charities enabled

**>55 000 females**

to attend work or school for the week of their period.



### Education

We believe that the future of our country is dependent on access to and improved standards of education.

South Africa is well known for its extreme levels of inequality and persistent low levels of economic growth have deepened the crisis causing unemployment to remain at unprecedented highs. In order to alleviate these issues, we provide educational programmes, internships and apprenticeships to help and develop our unemployed, particularly the youth and people with disabilities. Teenage girls without access to adequate sanitary protection during their period can miss up to 20% of any school year, around 50 days. This may lead to poor academic performance and a higher prevalence of dropouts which in turn could result in greater inequalities later in life. This perpetuates the cycle of gender inequality. Inadequate sanitary protection also leads to loss of dignity and shame. Our menstrual hygiene projects are designed to promote dignity and improve gender equality by keeping girls at school during their menstrual cycles. The Lil-Lets educational initiatives aim to educate and prepare young girls for the onset of menstruation and the hygienic management thereof, as well as educating boys to prevent discrimination and teasing. Once employed, women may miss work if unable to access sufficient sanitary protection resulting in loss of earnings. Locally and across the African region, many low-income households are female-headed, which further exacerbates the social burden.

Projects aimed at upliftment and empowerment have been the focus of this element of our sustainability strategy, assisting young girls to remain in school, getting the most from their education and enabling them to benefit to the best of their abilities.

Lil-Lets offers health education on puberty and adolescence through several channels, one of which is the **#Lil-Lets Talk** platform ([www.lil-letstalk.co.za](http://www.lil-letstalk.co.za)), launched in January 2021. Lil-Lets has utilised technology to support and educate women, whilst embracing their privacy, as social barriers often inhibit open conversations about menstrual hygiene.

#Lil-Lets Talk is an empowering platform designed by Lil-Lets where consumers can ask any **questions** relating to menstruation and reproductive health and learn from shared experiences. Users receive reliable answers from a team of expert volunteers, including doctors, pharmacists and other healthcare professionals, on issues concerning periods, menopause or anything in between.

The platform aims to provide trusted information, **break taboos** and create a safe space for open conversations about **women's health**.

In the UK, over 66 000 people tuned into the live broadcast of the **Lil-Lets Big Period Lesson**, an 8% increase on the previous year. The broadcast is free to access and is designed to teach young people about periods and puberty in a timely and age-appropriate way.

**Educational talks** about menstrual hygiene and preparation for menstruation, are regularly given by our teams on the ground at schools countrywide, supported by our product donations.

## Sustainability report continued

### OUR COMMUNITIES

4



93 disabled learners benefited from the **Unemployed Disabled Learnership** programme during the year. The programme gives disabled youth the opportunity to participate in a learnership programme which provides invaluable workplace exposure for a 12-month period. We will continue to roll out similar projects which align the qualification and workplace exposure to our core offering. This promotes a mutually beneficial outcome from the investment by potentially employing learners graduating from the programme.

With Premier's assistance during the year, a further **305 early learning centres** around the country were upgraded and received donations of branded learning materials and food. These community engagement projects are not only a force for good, empowering local business owners and improving the lives of children in the community, but also promote our heritage brands within those communities. Since the launch of this project **>1 000 centres** have been uplifted.

Our brands are paving the way to a healthier future for our children supported by key elements of our sustainability strategy, nutrition and education.

### Education

Social entrepreneurship is on the rise in South Africa, particularly in under-resourced peri-urban and rural areas. Iwisa's flagship empowerment initiative, the highly celebrated **Iwisa No. 1 Community Champions Competition**, now in its third year, creates a platform for social entrepreneurs to showcase solutions that address local challenges.

**>631 social entrepreneurs** participated in the competition. R250 000 was awarded directly to regional winners in cash prizes as well as additional investment in critical training and coaching to enable long-term sustainability. Rewarding **community impact makers** and encouraging entrepreneurship by providing opportunities for existing small businesses across the country remains the philosophy behind the concept.

**Mister Bread and Star Bakeries** collaborated once again with Enke, an NGO dedicated to youth empowerment, to provide fun, educational holiday camps for Grade 5 to 7 learners. These **Yondla Ikamva holiday camps** educate youths in the Eastern Cape providing them with skills in numeracy and entrepreneurship. Local teachers facilitate the camps providing additional support for the communities' educators through the creation of holiday employment.

## 726 learners

participated and

## >R1.3 million

was invested in this meaningful programme.

In support of **gender equality** in the workplace, all female employees at Premier have access to **free sanitary products at work**, provided in the bathrooms at our offices, and in our manufacturing operations, women receive a pack of pads every month.

**70 000 pads** were donated to our female employees.

Snowflake's **Bake-for-Profit**, in partnership with Learn to Earn, has been operating successfully since 2001. The course upskills largely female adult learners with basic baking skills and the skills required for managing a small business from financial management to health and safety. Each registered student receives Snowflake-branded learning material, sponsored Snowflake flour and baking powder and baking kits. The Bake-for-Profit initiative is helping to address one of the deepest needs in communities throughout the country - the right to earn a living and the opportunity to do so. The majority of the direct beneficiaries are African females in their mid-30s with multiple dependants.

## 177 female adult learners

completed the course during the year.



## OUR COMMUNITIES

4



## Education

This year, **Snowflake** launched the **Rising Stars** initiative to discover and provide support to emerging bakers in the Eastern Cape. The purpose of the competition was to identify, support and develop top baking talent in partnership with local NGOs. Participants entered online and the top 10 entrants participated in a bake-off, judged by industry professionals, which saw the winners receiving business capital, customised baking courses, marketing support, media coverage and Snowflake stock.

A collaborative partnership, **Nyala Future Fit**, aimed at empowering rural communities in KZN by providing essential career development resources, was undertaken during the year. Youth in these areas lack access to resources, information and guidance to make informed career choices.



The workshops and product donations reached

**>10 000 learners**

in Grades 9, 11 and 12.

A brand-new confectionery initiative, the **Manhattan Fun Lab**, was launched during the year. The thinking behind this programme was to create a space where “play meets purpose”. Safe play zones, with engaging activities for young children, were designed allowing the kids to foster friendships, imagination, creativity and cognitive growth during the school holidays. A meal for the day was provided, a sweet treat and chances to participate in activities ranging from art to science and dance.

**>4 200 children**

from Soweto participated.

*The Manhattan Fun Lab is more than just play, you can “taste the fun!”*

For our community educators, Premier sponsored several **SuperSun teacher workshops** designed to assist teachers in teaching learners about nutrition. The programme assisted with identifying and plating a balanced meal and the food groups that contribute to overall health.

**211 teachers** in 41 schools

attended the workshops, reaching

**>16 000 young learners.**

## Sustainability report continued

### OUR COMMUNITIES

4



Lil-Lets **Ask-One-Donate-One** is a community-driven initiative created by Lil-Lets to support those in need of menstrual products. Lil-Lets aims to inspire inclusivity, self-acceptance and dignity to help steer young girls on a path that provides them with the best opportunity to grow into **confident, empowered** young women. In pursuit of this vision, for every question asked on the Lil-Lets Talk platform, Lil-Lets matches it with a donation of a pack of pads to a charity supporting women in need.

**> 12 000** packs of pads

were donated through this empowering initiative.

After overwhelming successes in past years, a campaign that was launched to help restore dignity and rebuild lives after the devastating floods in Kwa-Zulu Natal, was again continued this year. **4 new homes** were erected in a partnership between BB Bakeries and Habitat for Humanity under the banner of **Bread for Bricks**. This campaign commits to donate bricks for every loaf of BB Bread bought which are then used to build the homes. This year, **31 people** were beneficiaries of the project.

### Community

Premier is committed to making a difference to families across the country, and to providing food and sanitary products that contribute towards achieving this goal.



Staple food donations and the provision of our menstrual hygiene products, which may have become a luxury for those who are unable to afford groceries, will continue to be a key focus to improve the lives of people in our communities. Through our various CSI programmes, our heritage brands are integrated into the communities in which our loyal consumers live.

Lil-Lets hosted a **netball tournament** in Soweto and **Blue Ribbon, a soccer tournament**, bringing together **>460 children** from local schools to celebrate sportsmanship, community spirit and empowerment. Players and coaches expressed gratitude for the events' positive impact on their schools and the community. Lil-Lets reinforced its commitment to giving back by providing players with curated goodie bags, meals, refreshments and on-site safety protocols.

**Laps for Loaves**, an exciting and motivating **BB Bakeries** initiative, has gained traction this year. By inspiring >13 000 school children to power a pedal cart around a track, this highly celebrated initiative saw **>14 000 loaves** donated for the laps completed by the children.

*“For us it’s not just about putting a roof over a family, it’s about helping to restore dignity”.*





# Remuneration report



## PART 1:

### Report from the Committee Chair

On behalf of the Remuneration and Nomination Committee, I am pleased to present Premier's remuneration report for the financial year ended 31 March 2025. The report has been compiled in accordance with the Companies Act, the JSE Listings Requirements and, as far as possible, the recommendations of King IV, and applies the three-part structure recommended therein.

## PART 1:

Details the background and focus areas of the Committee that influenced policy and remuneration outcomes in FY2025

## PART 2:

Provides an overview of the remuneration policy and governance of remuneration within the Group

## PART 3:

Details the implementation and outcomes of the remuneration policy during FY2025

During the year under review, our Board provided strategic direction for the Group, while our executive directors remained focused on the effective management of day-to-day operations to ensure the sustainability of the business. The broader leadership team and employees remained committed to advancing the Group's strategic objectives and driving performance. In doing so, they created significant value by delivering on Premier's purpose - ensuring that our products and people make a difference in the everyday lives of our consumers - and unlocking future growth to deliver attractive shareholder returns.

## FAIR AND RESPONSIBLE REMUNERATION

Premier remains committed to fair and responsible remuneration practices. Accordingly, we strive to ensure that our remuneration is market-related and free from unfair discrimination and prejudice. To support this commitment, we utilise reputable job grading systems to promote equal pay for work of equal value. In addition, we regularly analyse Group-wide remuneration data to identify and address any unjustified pay differentials based on gender, race, or other social demographics. Where material differentials exist, these typically reflect differences in work experience or length of service in a given role. Premier also continues to advance its strategy of reducing reliance on temporary labour and does not utilise labour brokers to provide staff for permanent positions.

We acknowledge the global challenge posed by income disparities between the highest and lowest paid corporate earners and are committed to progressively narrowing these gaps by, amongst other things, providing all employees with access to learning, professional development, and opportunities for career advancement. We offer enhanced parental leave benefits that exceed the requirements of the Basic Conditions of Employment Act, and we provide free sanitary products in the workplace as well as access to discounted Group products.

## Remuneration report continued

### OVERVIEW OF GROUP PERFORMANCE AND EXECUTIVE DIRECTOR REMUNERATION OUTCOMES FOR FY2025

The Group delivered strong financial and operational performance in FY2025 and continued to demonstrate its commitment to sustainable development, social impact and responsible business practices. Financial and non-financial strategic performance metrics were met and / or exceeded with the following noteworthy highlights:

#### FINANCIAL:

- EBITDA: R2.4 billion, increased 15% year-on-year
- EBITDA margin: 11.8% (FY2024: 11.0%)
- HEPS: 943 cps, increased by 26.8% from 744 cps in FY2024
- ROIC<sup>1</sup>: 24.9% (FY2024: 22.4%)
- Dividend: 271 cps (FY2024: 220 cps)

#### NON-FINANCIAL:

- Maintained a level 4 B-BBEE contributor status, reinforcing our commitment to transformation and inclusive growth in South Africa
- 90% of our manufacturing sites achieved the targeted minimum 5-Star health and safety audit scores, with our Group Disabling Injury Frequency Rate (DIFR) remaining low at 0.69%
- Through packaging optimisation initiatives, reduced plastic waste by a further 17 tonnes during the year
- Donated and delivered over 590 000 litres of clean water to communities in Mthatha in the Eastern Cape

- Donated R67 million of product, helping alleviate hunger through the distribution of approximately 33 million meals to vulnerable communities
- In support of early childhood development, upgraded 305 additional early learning centres. Premier also invested R29 million in employee development through direct and indirect training initiatives
- Donated over one million sanitary pads, promoting dignity and supporting gender equality initiatives

Based on this performance, the Committee determined that the Group's FY2025 short-term incentive (STI) stretch net equity value target<sup>2</sup> of R15.5 billion had been achieved. The Committee evaluated the performance of each executive director and approved incentive awards in line with the aggregated scores calculated in accordance with the STI scheme rules. No adjustments were made to the formula, which was applied as per the previously approved performance conditions.



<sup>1</sup> Refers to return on average invested capital adjusted for the 2008 revaluation of intangibles. Refer to page 67 for a detailed calculation of ROIC.

<sup>2</sup> Calculated as set out on page 102.

## Remuneration report continued



### FOCUS AREAS AND KEY DECISIONS OF THE COMMITTEE DURING AND IN RESPECT OF FY2025

During the period under review, the Committee met on three occasions to provide strategic guidance and to approve the matters outlined below.

#### Focus areas and key decisions

##### 2025 salary adjustments

- Approved executive director salary increases
- Monitored and approved aggregate increases for employees and members of executive management

##### Wage negotiations

- Monitored and supported wage negotiations with recognised trade unions

##### Short-term incentives (STI)

- Reviewed and approved the Group's performance for FY2025, as well as the performance of each executive director. Based on targets achieved, the Committee approved the award of STIs in line with incentive scheme rules
- Approved the STI performance conditions and targets for FY2026

##### Long-term incentives (LTI)

- Approved the award of LTIs to senior management based on individual performance and retention requirements

##### Non-executive directors' remuneration

- Reviewed and recommended non-executive director fees for approval by shareholders at the AGM

##### Governance

- Reviewed the implementation of the remuneration policy
- Determined that no malus and clawback trigger events arose in FY2025
- Reviewed the Committee's terms of reference and the FY2025 remuneration report and recommended same to the Board for approval

### REMUNERATION CONSULTANTS

Our remuneration policy and practices, including salary increases, incentives and benefits, are periodically benchmarked against the broader market, industry norms, and a defined comparator group to ensure that our remuneration remains both internally equitable and externally competitive. The most recent external benchmarking exercise, involving remuneration consultants, was undertaken in 2023.

## Remuneration report continued

### STAKEHOLDER ENGAGEMENT

Premier is committed to continuous, transparent engagement with shareholders as part of its efforts to uphold sound governance practices. The outcomes of shareholder voting on remuneration-related matters from 2023 to date are summarised as follows:

	Remuneration policy	Implementation report	New Share Appreciation Rights plan
<b>2023 Annual General Meeting</b>	97.39% in favour	98.79% in favour	-
<b>2023 General Meeting</b>	-	-	100% in favour
<b>2024 Annual General Meeting</b>	86.49% in favour	92.76% in favour	-

In FY2025, Premier proactively engaged with several key institutional shareholders and their representatives ahead of the 2024 AGM. These discussions, conducted through one-on-one meetings and other forums, focused on understanding the Group's remuneration policy and its implementation. Feedback from these engagements will be considered in the design of future executive LTI schemes, which are expected to be revised ahead of 2027/2028 in alignment with Premier's broader succession and incentive planning. In addition, there was a request for additional information to be provided on the CEO STI scorecard which has been included in this report.

We appreciate the constructive input received and the strong levels of support expressed for our remuneration approach. Premier remains committed to fostering ongoing dialogue with shareholders to ensure continued alignment between executive remuneration and shareholder interests. Shareholders who wish to provide input on the Group's remuneration policy may do so by contacting us at [remuneration@premierfmcg.com](mailto:remuneration@premierfmcg.com).

In line with King IV, shareholders will again be afforded the opportunity to cast separate non-binding advisory votes on the Group's remuneration policy and implementation report at the AGM scheduled for 3 September 2025<sup>3</sup>. Should 25% or more of the voting rights exercised oppose either resolution, the Committee will engage further with shareholders to understand the reasons for dissent and consider any legitimate and reasonable concerns raised.

### CONCLUSION

The Committee is satisfied that the remuneration policy achieved its stated objectives in FY2025.

Yours sincerely,

**J Matthews**

*Remuneration and Nomination Committee Chair*

<sup>3</sup> The relevant resolutions are set out in the 2025 AGM Notice.



## Remuneration report continued

### PART 2:

## Overview of our remuneration policy

This section of the report provides an overview of Premier's remuneration philosophy and the principles applicable to all employees. It also outlines the detailed provisions relevant to executive and non-executive directors and, in certain instances, other members of executive and senior management.

### REMUNERATION GOVERNANCE

The Committee is appointed by the Board and operates independently of executive management. It provides oversight and makes decisions on remuneration-related matters within its mandate. Where appropriate, the Committee makes recommendations to the Board for its consideration and final approval.

The Committee is responsible for overseeing the development and implementation of the Group's remuneration policy. This includes setting appropriate financial and non-financial performance targets annually to ensure that superior performance is appropriately rewarded and aligned with shareholder expectations. The policy is designed to attract, motivate and retain executives with the expertise required to drive Premier's long-term growth and success.

The Committee also reviews and approves any material changes to employee remuneration and benefit structures, ensuring that the Group's remuneration practices remain responsible, internally equitable and externally competitive.

The Committee is committed to ensuring that Premier's remuneration reporting is clear, comprehensive and transparent, and recognises the importance of continuous improvement in this regard. It reviews and approves all remuneration disclosures contained in the IAR, as well as any other disclosures required in terms of King IV, the Companies Act and the JSE Listings Requirements.

The composition of the Committee and meeting attendance during FY2025 are set out on page 26 of the governance report.

### REMUNERATION PHILOSOPHY AND POLICY OBJECTIVES

The following policy objectives underpin Premier's remuneration philosophy:

- Recruit, retain, motivate and develop high-performing employees to support the achievement of Premier's strategic objectives and priorities
- Ensure that all employees are recognised and rewarded for their performance in a fair, equitable and consistent manner
- Maintain remuneration and benefits that are competitive within our industry
- Reward employees for achieving predetermined business and individual performance targets, and ensure that remuneration is aligned with these outcomes
- Ensure that employee costs remain within budget and are therefore sustainable



## Remuneration report continued

### REMUNERATION STRUCTURE

Our remuneration structure has three main components:

- Fixed remuneration: Guaranteed pay, which includes a basic salary and benefits
- Variable remuneration: Short-term incentives
- Variable remuneration: Long-term incentives



### 1. FIXED REMUNERATION: GUARANTEED PAY (GP)

Element	Description
Objective	<ul style="list-style-type: none"> <li>• GP is a core component of remuneration and reflects the market value of the role. Increases are linked to the market as well as Group and individual performance.</li> </ul>
Components	<ul style="list-style-type: none"> <li>• GP, which is structured to include a basic salary and, where applicable, the following benefits:               <ul style="list-style-type: none"> <li>– Employer contributions to retirement and / or pension funds</li> <li>– Employer contributions to medical aid</li> <li>– Group risk benefits (death, disability and impairment) and funeral cover</li> <li>– Cellphone and travel allowances.</li> </ul> </li> </ul>
Positioning	<ul style="list-style-type: none"> <li>• GP is typically positioned at the market median for general employees. To attract and retain scarce and critical skills, as well as top talent in a competitive job market, the Group aims to position these roles between the 50th and 75th percentiles of the market.</li> </ul>
Payment	<ul style="list-style-type: none"> <li>• Paid monthly in cash.</li> </ul>
Reviews and annual increases	<ul style="list-style-type: none"> <li>• GP is reviewed annually, with increases effective in July each year. Adjustments consider factors such as prevailing economic conditions, consumer price inflation (CPI), Group performance and overall affordability.</li> </ul>



## Remuneration report continued

### 2. VARIABLE REMUNERATION: SHORT-TERM INCENTIVE

Element	Description																													
Objective	<ul style="list-style-type: none"> <li>The STI recognises and rewards qualifying employees for Group and individual performance.</li> </ul>																													
Eligibility	<ul style="list-style-type: none"> <li>Executive directors, executive and senior managers, and non-bargaining unit staff are eligible for participation. Bargaining unit staff receive guaranteed 13th cheques.</li> </ul>																													
Overview	<ul style="list-style-type: none"> <li>Participants are awarded an annual cash bonus that is fully linked to performance and based on targets aligned with Premier's short-term strategic objectives.</li> <li>In respect of the financial and non-financial performance metrics that make up the performance score, linear vesting applies between vesting levels, up to a capped percentage<sup>4</sup> of eligible variable pay at 105% of the Group's budgeted performance.</li> <li>Performance is measured biannually over a 12-month period, aligned with the Group's financial year. Companywide performance measures are cascaded into each participant's individual scorecard, and individual performance is assessed against their scorecard as part of the Group's performance management process. To qualify for participation in the STI, participants must achieve a minimum individual performance rating of 2.5 out of 5.</li> <li>A minimum net equity value is the overriding condition for STI eligibility and must be achieved before any awards are made. The minimum net equity value is calculated using the following formula:           <table border="1" style="margin-top: 10px;"> <tr> <td style="background-color: #004a6c; color: white;">Minimum net equity value</td> <td>=</td> <td style="background-color: #d9e1f2;">Budgeted EBITDA</td> <td>x</td> <td style="background-color: #d9e1f2;">Defined valuation multiple of 7.6x</td> <td>-</td> <td style="background-color: #d9e1f2;">Budgeted net debt</td> </tr> </table> </li> </ul>	Minimum net equity value	=	Budgeted EBITDA	x	Defined valuation multiple of 7.6x	-	Budgeted net debt																						
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Operation	<p>Once targeted minimum net equity value has been achieved, each participant's bonus is determined by way of the following formula:</p> <table border="1" style="margin-top: 10px;"> <tr> <td style="background-color: #004a6c; color: white;">Annual GP</td> <td>x</td> <td style="background-color: #d9e1f2;">On-target or stretch target % of GP</td> <td>x</td> <td style="background-color: #d9e1f2;">Performance multiplier</td> <td>=</td> <td style="background-color: #d9e1f2;">Annual STI</td> </tr> <tr> <td></td> <td></td> <td style="background-color: #004a6c; color: white;">Based on role</td> <td></td> <td style="background-color: #004a6c; color: white;">Based on role</td> <td></td> <td></td> </tr> </table> <p><b>ON TARGET PERFORMANCE VS STRETCH TARGET PERFORMANCE:</b></p> <table border="1" style="margin-top: 10px;"> <thead> <tr> <th></th> <th style="background-color: #d9e1f2;">Maximum STI award for on-target performance<sup>5</sup></th> <th style="background-color: #d9e1f2;">Maximum STI award for stretch-target performance<sup>6</sup></th> </tr> </thead> <tbody> <tr> <td style="background-color: #004a6c; color: white;">CEO</td> <td style="text-align: center;">140% of GP</td> <td style="text-align: center;">210% of GP</td> </tr> <tr> <td style="background-color: #004a6c; color: white;">CFO</td> <td style="text-align: center;">110% of GP</td> <td style="text-align: center;">160% of GP</td> </tr> </tbody> </table> <p><b>PERFORMANCE CONDITION WEIGHTINGS:</b></p> <table border="1" style="margin-top: 10px;"> <thead> <tr> <th></th> <th style="background-color: #d9e1f2;">Company Performance Weighting</th> <th style="background-color: #d9e1f2;">Individual Performance Weighting</th> </tr> </thead> <tbody> <tr> <td style="background-color: #004a6c; color: white;">CEO/CFO</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">20%</td> </tr> </tbody> </table>	Annual GP	x	On-target or stretch target % of GP	x	Performance multiplier	=	Annual STI			Based on role		Based on role				Maximum STI award for on-target performance <sup>5</sup>	Maximum STI award for stretch-target performance <sup>6</sup>	CEO	140% of GP	210% of GP	CFO	110% of GP	160% of GP		Company Performance Weighting	Individual Performance Weighting	CEO/CFO	80%	20%
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CFO	110% of GP	160% of GP																												
	Company Performance Weighting	Individual Performance Weighting																												
CEO/CFO	80%	20%																												
Payment	<ul style="list-style-type: none"> <li>Performance is assessed, and bonuses are paid biannually in two tranches: the first at the end of November (following the release of the Group's interim results), and the second at the end of June (following release of the Group's annual results). Where stretch targets are achieved for the financial year, participants are rewarded for this outperformance only in the second tranche of the STI payment.</li> <li>For executive directors and members of executive and senior management, 50% of the total STI earned is deferred for a period of 12 months.</li> <li>Payment is contingent upon the participant remaining in good standing and being in continued employment with the Group.</li> </ul>																													
Approval	<ul style="list-style-type: none"> <li>All STI awards are subject to approval by the Committee, based on the recommendation of executive management.</li> </ul>																													

<sup>4</sup> Eligible variable pay is capped at 210% of GP for the CEO, 160% of GP for the CFO, and up to 90% of GP for all other eligible participants, subject to the achievement of the stretch performance target.

<sup>5</sup> On-target performance: payable if the Group achieves 100% of its budgeted performance.

<sup>6</sup> Stretch-target performance: payable if the Group achieves 105% of its budgeted performance.

## Remuneration report continued

### CEO STI SCORECARD FOR FY2026

The CEO's performance for FY2026 will be assessed against a balanced scorecard that aligns with the Company's strategic, financial and ESG priorities. The scorecard comprises a combination of financial and non-financial metrics structured around four key focus areas: (i) financial and growth performance; (ii) strategic execution and transformation; (iii) operational excellence; and (iv) leadership and stakeholder engagement. The targets were set by the Committee at the beginning of the financial year, and the specific outcomes will be reviewed and moderated in November 2025 and June 2026.

For commercially sensitive reasons, specific financial target values (such as EBITDA budgets or capital allocation figures) have not been disclosed. However, the Committee confirms that these targets are robust, benchmarked against peer and internal performance expectations, and include clearly defined targets and stretch levels. Performance metrics are subject to rigorous review, and full or partial payout of incentives is contingent upon achievement relative to these measures.

### 3. VARIABLE REMUNERATION: LONG-TERM INCENTIVES

LTI, together with deferred STI awards, are designed to encourage retention and foster a long-term commitment to sustainable value creation among members of executive and senior management. Premier's current LTI arrangements include a cash-settled share appreciation rights (SARs) scheme, an equity-settled SARs plan and executive share investment programmes.

### 3.1 CASH-SETTLED SHARE APPRECIATION RIGHTS (SARs) SCHEME

Element	Description
Eligibility	<ul style="list-style-type: none"> <li>Members of senior management are considered for participation on an annual basis.</li> </ul>
Overview	<ul style="list-style-type: none"> <li>Participants are awarded SARs as a proxy for ordinary shares in the Company.</li> <li>Upon exercise, SARs are cash-settled based on the appreciation in the value of the underlying shares between the issue and exercise dates.</li> <li>If the HEPS has not increased by more than the compound annual growth rate of CPI by the exercise date, the SARs will have no value, and no payment will be due to the participant. These SARs will lapse and be forfeited.</li> </ul>
Vesting	<ul style="list-style-type: none"> <li>50% of the awarded SARs vest on the fourth anniversary of the issue date, and the remaining 50% vest on the fifth anniversary. Once vested, SARs may be exercised in tranches of 50% or 100% at any time up to the eighth anniversary of the issue date.</li> <li>Vesting is contingent upon the participant remaining in good standing and in continued employment with the Group.</li> </ul>
Valuation	<ul style="list-style-type: none"> <li>SARs are issued at the market value of Premier's ordinary shares calculated as follows: Price per share = Equity value (enterprise value less net debt) / number of issued ordinary shares. For this purpose, net debt is adjusted for dividends paid to shareholders. The value of the SARs is recalculated on the exercise date using the same methodology.</li> </ul>
Approval	<ul style="list-style-type: none"> <li>Awarded at the discretion of the Committee.</li> </ul>

Cash-settled SARs were last awarded in July 2022. The last of the awarded cash-settled SARs will vest in July 2027 and will be exercisable until July 2030.

## Remuneration report continued

### 3.2 EQUITY-SETTLED SHARE APPRECIATION RIGHTS PLAN

To incentivise senior employees following the Company's listing on the JSE, the equity-settled SARs plan was implemented in accordance with Schedule 14 of the JSE Listings Requirements. The plan was approved by the requisite majority of shareholders in 2023.

Element	Description
Eligibility	<ul style="list-style-type: none"> <li>Members of senior management are considered for participation on an annual basis.</li> <li>Executive directors and other members of executive management may be considered for participation on an <i>ad hoc</i> basis, at the discretion of the Committee.</li> </ul>
Overview	<ul style="list-style-type: none"> <li>Participants are awarded SARs as a proxy for ordinary shares in the Company.</li> <li>Upon exercise, SARs are equity-settled based on the appreciation in the value of the underlying shares between the issue and exercise dates.</li> <li>If the HEPS has not increased by more than the compound annual growth rate of CPI by the exercise date, the SARs will have no value, and no payment will be due to the participant. These SARs will lapse and be forfeited.</li> <li>The aggregate number of shares that may be settled under this plan may not exceed 6 445 290 ordinary shares (approximately 5% of the Company's issued ordinary share capital).</li> <li>The maximum number of shares that may be awarded to any one participant under this plan shall not exceed 1 932 870 ordinary shares (approximately 1.5% of the Company's issued ordinary share capital).</li> </ul>
Vesting	<ul style="list-style-type: none"> <li>50% of the awarded SARs will vest 20 business days after the Company releases its annual results for the fourth financial year following the issue date. The remaining 50% will vest 20 business days after the release of the Company's annual results for the fifth financial year following the issue date.</li> <li>Once vested, SARs may be exercised in tranches of 50% or 100% at any time up to the eighth anniversary of the vesting date.</li> <li>Vesting is contingent upon the participant remaining in good standing and in continued employment with the Group.</li> </ul>
Valuation	<ul style="list-style-type: none"> <li>SARs are issued at a strike price determined at the discretion of the Committee on the award date. The value of the SARs upon exercise will equal the difference between the Company's closing share price on the business day immediately preceding the exercise date (closing share price) and the strike price, divided by the closing share price. This difference in value will determine the number of ordinary shares that will be issued to the participant when the SARs are exercised.</li> </ul>
Approval	<ul style="list-style-type: none"> <li>Awarded at the discretion of the Committee.</li> </ul>

## Remuneration report continued

### 3.3 EXECUTIVE SHARE INVESTMENT PROGRAMMES

Element	Description
Eligibility	<ul style="list-style-type: none"> <li>Executive directors and members of executive management.</li> </ul>
Overview	<ul style="list-style-type: none"> <li>Through the provision of notional vendor financing (NVF), participants subscribed for 'A' and/or 'A1' unlisted ordinary shares in the Company, each of which will automatically convert into ordinary shares on a defined conversion date. The 'A' and 'A1' ordinary shares will convert into such number of ordinary shares as represent the market value of the underlying shares, less the outstanding NVF loan amount, in accordance with the conversion ratio set out in the share terms. These terms are included in Appendices 2 and 3 of the Company's MOI.</li> </ul>
Conversion date	<ul style="list-style-type: none"> <li>The conversion date shall be the earliest of the following:               <ul style="list-style-type: none"> <li>1 April 2027; or</li> <li>the date immediately preceding the date on which any person (other than Brait Mauritius Limited or Titan Premier Investments Proprietary Limited, or their respective related persons) obtains the ability to exercise more than 35% of the voting rights in the Company; or</li> <li>the disposal of the Group's business and assets to a <i>bona fide</i> third party in circumstances that require shareholder approval in terms of section 122 of the Companies Act.</li> </ul> </li> </ul>
NVF loans	<ul style="list-style-type: none"> <li>The NVF loans in respect of the 'A' ordinary shares equalled 85% of the market value of the ordinary shares on the date on which the 'A' ordinary shares were issued, plus notional interest which accrues daily, at the prime lending rate less 1%, from the date of issue until the conversion date, calculated, capitalised and compounded monthly in arrears.</li> <li>The NVF loans in respect of the 'A1' ordinary shares equalled 100% of the market value of the ordinary shares on the date on which the 'A1' ordinary shares were issued, plus notional interest which accrues on the same basis as above.</li> </ul>
Approval	<ul style="list-style-type: none"> <li>Awarded at the discretion of the Committee.</li> </ul>
Right to receive cash distributions	<ul style="list-style-type: none"> <li>Holders of 'A' and 'A1' ordinary shares are entitled to receive cash distributions whenever the Board authorises a distribution to the Company's ordinary shareholders. These distributions are calculated based on the number of ordinary shares that correspond to the value of the 'A' and 'A1' ordinary shares on the applicable distribution date, as set out in the share terms.</li> </ul>

### REMUNERATION OF EXECUTIVE DIRECTORS

The remuneration of our executive directors is structured on a total remuneration basis, comprising guaranteed pay as well as short- and long-term incentives. It is designed to align with the Company's strategy and its financial and operational performance objectives. The remuneration mix is intended to achieve an optimal balance between fixed and variable components.

## Remuneration report continued

### LINKING PAY TO PERFORMANCE

The graphs below illustrate the potential remuneration outcomes for executive directors at both target and stretch levels of performance in FY2026. Where target performance is not achieved, only the guaranteed pay indicated will be payable. The FY2024 SARs allocations made to executive directors will vest from FY2028 onwards and, as such, will have no impact on the remuneration outcomes illustrated below.

CEO (R'000)	Target	8 807	12 330*
	Stretch	8 807	18 495**

\* STI @ 140% of GP

\*\* STI @ 210% of GP

CFO (R'000)	Target	6 165	6 782*
	Stretch	6 165	9 864**

\* STI @ 110% of GP

\*\* STI @ 160% of GP

GP

STI

### MALUS AND CLAWBACK

In terms of Premier's Malus and Clawback Policy, all variable incentives allocated to executive directors are subject to malus and clawback provisions. In the event of a trigger event, the Committee may reduce any incentive amounts payable prior to payment or vesting (malus), and / or recover awards already paid or vested (clawback), including the surrender of any shares acquired under the Group's incentive schemes. Clawback provisions apply for a period of two years following the vesting of any variable incentive award.

### EXECUTIVE DIRECTOR SERVICE AGREEMENTS

Executive directors are employed on standard employment contracts with three-month notice periods. There are no contractual provisions for balloon payments, special severance arrangements or loss-of-office payments in the event of termination due to underperformance. In the case of early termination, there is no automatic entitlement to bonuses or incentives, and any such payments are made at the discretion of the Committee.

Should Premier elect to enforce post-termination restraints, executive directors are subject to 12-month restraints of trade and will continue to receive their normal remuneration during this period.

### SIGN-ON AND RESTRAINT OF TRADE PAYMENTS

The Group may grant buy-out awards (including sign-on bonuses and / or restraint of trade payments) to newly appointed executive directors and key employees in order to attract and secure critical talent. It is acknowledged that, in certain instances, it may be necessary to compensate such individuals for the loss of unpaid bonuses or unvested incentive awards forfeited as a result of leaving their previous employment. These awards are made only in exceptional circumstances and at the discretion of the Committee.

## Remuneration report continued

### REMUNERATION OF NON-EXECUTIVE DIRECTORS<sup>7</sup>

Non-executive directors are appointed in accordance with the Company's MOI. They do not have employment contracts with the Company, do not receive performance-related remuneration or benefits and do not participate in any of the Group's incentive schemes.

Non-executive directors' fees are reviewed annually, taking into account inflation and prevailing market conditions. Fee proposals endorsed by the Board are submitted to shareholders for approval at the AGM. Fees are paid in cash, and non-executive directors are also reimbursed for travel and other business-related expenses. The non-executive directors' fees set out below are proposed in respect of FY2026. These amounts are exclusive of VAT, which will be added in accordance with applicable VAT legislation where required.

	Total annual fees: Based on no. of scheduled meetings R'000	Annual retainer R'000	Per meeting fee R'000	No. of scheduled meetings
<b>Board</b>				
Chair	1 042	418	104	6
Lead Independent Director	768	306	77	6
Member	489	195	49	6
<b>Audit and Risk Committee</b>				
Chair	349	139	42	5
Member	155	70	17	5
<b>Remuneration and Nomination Committee</b>				
Chair	220	112	27	4
Member	112	56	14	4
<b>Social and Ethics Committee</b>				
Chair	195	78	39	3
Member	110	44	22	3

<sup>7</sup> Depending on the number of meetings held during the year, the actual fees payable to non-executive directors may be higher or lower than the total amounts reflected in the table above.

## Remuneration report continued

### PART 3:

### Remuneration implementation report

This section of the report outlines the implementation of the Group's remuneration policy during FY2025. It includes details of inflation-linked increases in GP and the variable incentives approved for executive directors. We also disclose total remuneration figures and provide a schedule of shares held by executive directors in accordance with the applicable requirements of King IV. The section concludes with the disclosure of non-executive directors' remuneration, as required by the Companies Act.

The strong financial and non-financial performance of the business during the period under review resulted in a significant increase in the Company's share price on the JSE. For the purpose of calculating the equivalent ordinary shares to be issued in respect of the equity-settled SARs, Premier's share price increased from R61.10 as at 31 March 2024 to R129.10 as at 31 March 2025. In calculating the equivalent ordinary shares under the Executive Share Investment Programmes, Premier's 7-day volume-weighted average price (VWAP) increased from R62.51 at 31 March 2024 to R126.54 at 31 March 2025.

During the year under review, there were no deviations from the Group's approved remuneration policy.

#### 1. FIXED REMUNERATION: GUARANTEED PAY ANNUAL SALARY INCREASES

In determining annual salary increases, the Committee considered, among other factors, the annual consumer price index, prevailing economic conditions, the performance of the Group and the affordability of the increased salary cost. The Committee approved an average salary increase mandate of 5.5% for FY2025 (FY2024: 5.5%).

#### 2. SHORT-TERM INCENTIVE

##### OVERALL SHORT-TERM INCENTIVE

An overall STI amount of R175.6 million was approved by the Committee for the reporting period ended 31 March 2025 (FY2024: R159 million), of which R55.1 million will be deferred for payment in 2026 in accordance with the STI scheme rules.



## Remuneration report continued

### EXECUTIVE DIRECTOR SHORT-TERM INCENTIVES<sup>8</sup>

Based on the achievement of stretch performance targets in FY2025, and in accordance with approved policy, the following STIs for executive directors were calculated and approved by the Committee:

	CEO R'000	CFO R'000
Gross STI	17 530	9 349
Total STI as a % of annual GP	210%	160%

### 3. LONG-TERM INCENTIVES

#### 3.1 CASH-SETTLED SHARE APPRECIATION RIGHTS SCHEME

##### FY2025 MOVEMENT IN SCHEME

During FY2025, no new cash-settled SARs were awarded, 4 240 were exercised and 200 were forfeited. Movements in the cash-settled SARs scheme during FY2025 are summarised below:

	Number of SARs	Value of SARs R'000
1 April 2024	10 240	68 966
Exercised during the year	(4 240)	(43 786)
Forfeited during the year*	(200)	(2 373)
Revaluation / Remeasurement of SARs	-	27 482
31 March 2025	5 800	50 289

\* SARs forfeited by participants no longer in the employ of the Group.

<sup>8</sup> In accordance with the terms of the STI policy, 50% of the total STI earned will be deferred for a period of 12 months.

## Remuneration report continued

### 3.2 EQUITY-SETTLED SHARE APPRECIATION RIGHTS PLAN<sup>9</sup>

#### FY2025 MOVEMENT IN PLAN

During FY2025, 1 125 000 SARs were awarded under the equity-settled SARs plan. Since implementation of the plan, equity-settled SARs have been awarded as follows:

Award date	Strike price	Rights at 31 March 2024	Rights awarded during FY2025	Rights at 31 March 2025	Rights exercisable at 31 March 2025	Number of equivalent ordinary shares at 31 March 2025
21 July 2023	R56.71	1 477 500	-	1 477 500	-	828 476
21 July 2023	-	2 711 958	-	2 711 958	-	2 711 958
6 November 2023	-	337 096	-	337 096	-	337 096
14 December 2023	R59.33	674 195	-	674 195	-	364 358
15 July 2024	R73.55	-	1 125 000	1 125 000	-	484 072
<b>Total</b>		<b>5 200 749</b>	<b>1 125 000</b>	<b>6 325 749</b>	<b>-</b>	<b>4 725 960</b>

#### EXECUTIVE COMMITTEE (EXCLUDING EXECUTIVE DIRECTORS)

During FY2025, no SARs were awarded to, exercised or forfeited by executive committee (Exco) members under the equity-settled SARs plan. As at 31 March 2025, Exco members, excluding executive directors, held the following equity-settled SARs:

	Award date	Strike price	Vesting date	Rights at 31 March 2024	Rights awarded during FY2025	Rights at 31 March 2025	Rights exercisable at 31 March 2025	Number of equivalent ordinary shares at 31 March 2025
EXCO	21 July 2023	R0.00	July 2027	781 978	-	781 978	-	781 978
	21 July 2023	R0.00	July 2028	781 978	-	781 978	-	781 978
	21 July 2023	R56.71	July 2027	108 750	-	108 750	-	60 979
	21 July 2023	R56.71	July 2028	108 750	-	108 750	-	60 979
	14 December 2023	R59.33	July 2027	337 097	-	337 097	-	182 179
	14 December 2023	R59.33	July 2028	337 098	-	337 098	-	182 179
	<b>Total</b>							

<sup>9</sup> When calculating the number of equivalent ordinary shares in respect of the equity-settled SARs as at 31 March 2025, the closing share price on the business day immediately preceding that date is used (closing share price). The calculation is based on the difference between the closing share price (R129.10) and the strike price, divided by the closing share price.

## Remuneration report continued

### EXECUTIVE DIRECTORS

During FY2025, no SARs were awarded to, exercised or forfeited by executive directors under the equity-settled SARs plan. As at 31 March 2025, executive directors held the following equity-settled SARs:

	Award date	Strike price	Vesting date	Rights at 31 March 2024	Rights awarded during FY2025	Rights at 31 March 2025	Rights exercisable at 31 March 2025	Number of equivalent ordinary shares at 31 March 2025
CEO	21 July 2023	-	July 2027	367 491	-	367 491	-	367 491
	21 July 2023	-	July 2028	367 491	-	367 491	-	367 491
<b>Total</b>								734 982
CFO	21 July 2023	-	July 2027	206 511	-	206 511	-	206 511
	21 July 2023	-	July 2028	206 511	-	206 511	-	206 511
	21 July 2023	R56.71	July 2027	87 500	-	87 500	-	49 064
	21 July 2023	R56.71	July 2028	87 500	-	87 500	-	49 064
<b>Total</b>								511 150

### 3.3 EXECUTIVE SHARE INVESTMENT PROGRAMMES<sup>10</sup>

#### EXECUTIVE COMMITTEE (EXCLUDING EXECUTIVE DIRECTORS)

Members of the Company's executive committee, excluding executive directors, hold the following shares under the executive share investment programmes:

	Acquisition / Issue date	Number of shares	Subscription price R	Number of equivalent ordinary shares at 31 March 2025
'A' ordinary shares	30 September 2020	6 762	1 035	891 746
'A1' ordinary shares	21 June 2022	13 080	0.01	633 105
'A' ordinary shares	15 November 2023	749	1 407	98 775
<b>Total</b>				1 623 626

<sup>10</sup> When calculating the number of equivalent ordinary shares in respect of the 'A' and 'A1' shares as at 31 March 2025, the 7-day VWAP at that date (R126.54) is used to determine the market value of the underlying shares. The conversion is based on the formula set out in the share terms, which provides that the 'A' and 'A1' shares convert into such number of ordinary shares as represent the market value of the underlying shares, less the outstanding NVF loan amount.

## Remuneration report continued

### EXECUTIVE DIRECTORS

During FY2025, the CFO acquired the following shares under the executive share investment programmes. The shares were purchased from an 'A1' shareholder, the details of which were disclosed on SENS on 20 June 2024:

	Acquisition date	Number of shares	Subscription price R	NVF loan R
<b>CFO</b>				
'A1' ordinary shares	20 June 2024	2 250	0.01	88.28

Following the above acquisition, executive directors now hold the following shares under the executive share investment programmes:

	Acquisition / Issue date	Number of shares	Subscription price R	NVF loan R	Number of equivalent ordinary shares at 31 March 2025
<b>CEO</b>					
'A' ordinary shares*	30 September 2020	5 797	1 035	5 865	764 486
'A1' ordinary shares	21 June 2022	5 730	0.01	72.60	277 346
'A' ordinary shares	15 November 2023	110	1 407	7 476	14 506
<b>Total</b>					1 056 338
<b>CFO</b>					
'A' ordinary shares*	26 August 2021	1 932	4 530	6 227	254 785
'A1' ordinary shares	21 June 2022	2 000	0.01	72.60	96 805
'A' ordinary shares	15 November 2023	107	1 407	7 476	14 111
'A1' ordinary shares	20 June 2024	2 250	0.01	88.28	108 905
<b>Total</b>					474 606

\* At the time of subscribing for the 'A' ordinary shares, the CEO and CFO simultaneously subscribed for ordinary shares in the Company, investing R9.5 million and R9.2 million respectively.

## Remuneration report continued

### REMUNERATION OF EXECUTIVE DIRECTORS

#### SINGLE-VIEW EXECUTIVE DIRECTOR REMUNERATION

In line with King IV, we present a single view of the remuneration received by executive directors in FY2025, compared to that received in FY2024. Executive directors did not receive LTIs in FY2025. The FY2024 SARs allocations made to executive directors will only vest from FY2028 onwards and as such, had no impact on the remuneration outcomes reflected below.

		Basic salary R'000	Other benefits <sup>11</sup> R'000	STI <sup>12</sup> R'000	Total R'000
FY2025	CEO	8 143	122	14 480	22 745
	CFO	5 553	266	7 455	13 274
	Total	<b>13 696</b>	<b>388</b>	<b>21 935</b>	<b>36 019</b>
FY2024	CEO	7 713	123	11 038	18 874
	CFO	5 257	270	4 774	10 301
	Total	<b>12 970</b>	<b>393</b>	<b>15 812</b>	<b>29 175</b>

<sup>11</sup> Other benefits comprise travel allowances and medical benefits.

<sup>12</sup> STI payments relate to the prior financial year and include the deferred portion of the previous year's STI.

## Remuneration report continued

### REMUNERATION OF NON-EXECUTIVE DIRECTORS

A summary of the fees paid to non-executive directors in FY2025 is provided below, as disclosed in note 33.5 of the consolidated AFS.

	Board		Audit and Risk Committee		Remuneration and Nomination Committee		Social and Ethics Committee		Sub-total R'000	VAT R'000	Total R'000
	Retainer R'000	Meeting R'000	Retainer R'000	Meeting R'000	Retainer R'000	Meeting R'000	Retainer R'000	Meeting R'000			
I Van Heerden <sup>13</sup>	396	594	-	-	53	39	-	-	1 082	162	1 244
D Ferreira <sup>14</sup>	185	276	38	32	53	39	-	-	623	-	623
P Hayward-Butt <sup>15</sup>	-	-	-	-	-	-	-	-	-	-	-
F Khanyile <sup>16</sup>	290	438	66	80	-	-	42	63	979	147	1 126
J Matthews <sup>17</sup>	185	276	28	48	106	78	42	63	826	-	826
H Ramsumer	185	276	132	165	-	-	-	-	758	114	872
W Sihlobo	185	276	-	-	-	-	74	111	646	-	646
<b>Total</b>	<b>1 426</b>	<b>2 136</b>	<b>264</b>	<b>325</b>	<b>212</b>	<b>156</b>	<b>158</b>	<b>237</b>	<b>4 914</b>	<b>423</b>	<b>5 337</b>

<sup>13</sup> I van Heerden's fees were paid to Oryx Partners Proprietary Limited.

<sup>14</sup> DD Ferreira's Audit and Risk Committee retainer was pro-rated with effect from his appointment to that Committee on 4 September 2024.

<sup>15</sup> Alternate directors are not compensated by the Company or any other entity within the Group.

<sup>16</sup> F Khanyile is the Lead Independent Director and compensated accordingly.

<sup>17</sup> JER Matthews Audit and Risk Committee retainer was pro-rated to reflect his resignation from that Committee with effect from 4 September 2024. His fees were paid to Brait Mauritius Limited.



# 06

## Supplementary Information

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# ESG data summary

## Our Environmental, Social and Governance performance measures\*

	FY2025	FY2024
<b>GOVERNANCE</b>		
Number of Board members	8	8
Number of non-executive Board members	6	6
Number of executive Board members	2	2
Number of independent Board members	4	4
Number of Board members who are ACI	3	3
Number of Board members who are women	1	1
Average Board meeting attendance	% 100	100
Average committee meeting attendance	% 100	100
Name of auditors	PwC	PwC
Length of current auditor's service	years 7	6
Independence of Board Chairman	No	No
Shareholder approval for executive remuneration	AGM	AGM

	FY2025	FY2024
<b>HEALTH AND SAFETY</b>		
Number of fatalities (injuries on duty leading to death)	0	1
Number of medical treatment cases (MTC) (no lost days)	43	47
Number of lost time injuries (LTIs) (at least one lost day)	82	102
Total number of recordable injuries, including MTCs, LTIs and fatalities	125	150
Disabling (Lost Time) injury frequency rate (DIFR i.e. number of LTIs per 200 000 person hours worked)	0.69	0.82
Number of occupational health and safety audits conducted**	75	90

	FY2025	FY2024
<b>LABOUR</b>		
Total number of employees - Permanent	7 938	7 892
Total number of employees - Permanent (SA only)	6 668	6 636
Total number of employees - Permanent (outside SA)	1 270	1 256
Total number of employees - Contracted	462	736
Total number of employees - All	8 400	8 628
Employees who are permanent	% 95	91
Employees who belong to a trade union	% 45	47
Rand value of training spend	R'm 29	26
Training and development spend per FTE	3 659	3 257
Total number of training attendances (internal and external)	6 427	3 438
Total number of employees on learnerships	336	327
Total number of employees on apprenticeships	86	65
Total number of internships	67	37
Learnership, apprenticeship and internship candidates who are ACI	% 96	97

	FY2025	FY2024
<b>CSI EXPENDITURE</b>		
CSI spend - Total	R'm 67	53
B-BBEE ownership	% 5.1	5.1

\* These reporting metrics have been disclosed applying the recommendations of the JSE Sustainability Disclosure Guidance.

\*\* The health and safety audits, including electrical audits, are done internally by the central risk department.

## ESG data summary continued

### Our Environmental, Social and Governance performance measures continued

		FY2025	FY2024
<b>ENVIRONMENTAL</b>			
<b>Energy</b>			
Total volume of electricity purchased	MWh	182 170	169 890
Total volume of electricity self-generated	MWh	1 241	1 232
Total volume of electricity consumed	MWh	183 411	171 122
Energy from renewable sources	%	0.7	0.7
Total diesel consumption	KL	11 946	13 023
Total gas consumption	GJ	306 331	253 210
Total coal consumption	tonnes*	3 142	3 027
<b>Carbon footprint</b>			
Scope 1	tCO <sub>2</sub> e	82 971	81 601
Scope 2	tCO <sub>2</sub> e	193 099	171 580
Carbon emissions - Scope 1 and 2	tCO <sub>2</sub> e	276 070	253 181
Carbon tax liability**	R'm	2.57	2.12
<b>Water</b>			
Total water consumption	ML	1 689	1 456
Total municipal water consumption	ML	612	634
Total borehole consumption	ML	1 077	822
<b>Waste</b>			
Total volume of non-hazardous waste sent to landfill	tonnes	3 136	3 645
Total volume of hazardous waste sent to appropriate disposal sites	tonnes	323	173
Total volume of non-recycled waste	tonnes	3 459	3 818
Total volume of waste recycled	tonnes	1 634	1 851
- Paper and cardboard	tonnes	800	932
- Plastic	tonnes	446	515
- Metal / glass / other	tonnes	388	404
Waste recycled	%	99.0	98.9
Total volume of waste	tonnes	361 844	351 660
Levies for non-compliance	R'm	-	-

\* Coal consumption denomination reported erroneously in the prior year.

\*\* Carbon tax liability based on emissions generated during 2024 and 2023 calendar years.



# Glossary

## Abbreviations and definitions used in this report

### A

- ACI** : African, Coloured or Indian  
**AFS** : Annual Financial Statements  
**AGM** : Annual General Meeting

### B

- B-BBEE** : Broad-Based Black Economic Empowerment  
**bps** : basis points

### C

- Capex** : Capital expenditure  
**CEO** : Chief Executive Officer  
**CFO** : Chief Financial Officer  
**CIM** : Companhia Industrial da Matola  
**CO<sub>2</sub>e** : Carbon dioxide equivalent  
**CPG** : Consumer packaged goods  
**cps** : cents per share  
**CSI** : Corporate social investment

### D

- DEIB** : Diversity, equity, inclusivity and belonging  
**DIFR** : Disabling injury frequency rate

### E

- EBITDA** : Earnings before finance income and costs, foreign exchange (losses) / gains, share of net profit in equity-accounted investments, tax, depreciation, amortisation  
**ESG** : Environmental, Social and Governance  
**EPS** : Earnings per share  
**eNPS** : Employee Net Promoter Score

### F

- FMCG** : Fast moving consumer goods  
**FSSC** : Food Safety Systems Certification  
**FTE** : Full-time employee  
**FY** : Financial year

### G

- GJ** : Gigajoule  
**GHG** : Greenhouse gas  
**GM** : Genetically modified

### H

- HEPS** : Headline earnings per share  
**HPC** : Home and personal care

### I

- IAR** : Integrated annual report  
**IPO** : Initial Public Offering  
**ISO** : International Organisation for Standardisation  
**IT** : Information technology

### J

- JSE** : Johannesburg Stock Exchange Limited

### K

- KI** : Kilotitre

### L

- LTI** : Long-term incentive  
**LTIIs** : Lost time injuries

### M

- MI** : Megalitre  
**MWh** : Megawatt hour  
**MOI** : Memorandum of Incorporation

### N

- NGO** : Non-governmental organisation

### O

- OHS** : Occupational health and safety

### R

- ROIC** : Return on average invested capital adjusted for the historical revaluation of intangibles  
**ROE** : Return on equity adjusted for the historical revaluation of intangibles  
**RSPO** : Roundtable on Sustainable Palm Oil

### S

- SARs** : Share Appreciation Rights  
**SKU** : Stock Keeping Unit  
**STI** : Short-term incentive

### T

- tCO<sub>2</sub>e** : tonnes of carbon dioxide equivalent

### U

- UAE** : United Arab Emirates  
**UN SDGs** : United Nations Sustainable Development Goals  
**UK** : United Kingdom

# Company information

<b>Company name</b>	Premier Group Limited	<b>Bankers</b>	FirstRand Bank Limited																
<b>Company registration number</b>	2007/016008/06	<b>Company Secretary</b>	Bronwyn Baker Email: <a href="mailto:companysecretary@premierfmcg.com">companysecretary@premierfmcg.com</a>																
<b>Country of incorporation and domicile</b>	Republic of South Africa	<b>Transfer secretaries</b>	Computershare Investor Services Proprietary Limited Rosebank Towers, 15 Biermann Avenue Rosebank, 2196 Private Bag X9000, Saxonwold, 2132 Telephone +27 11 370 5000																
<b>JSE share code</b>	PMR	<b>Sponsor</b>	Rand Merchant Bank (a division of FirstRand Bank Limited) 1 Merchant Place, Cnr Fredman Drive and Rivonia Road, Sandton, 2196 PO Box 786273, Sandton, 2146 Telephone +27 11 282 8000																
<b>ISIN</b>	ZAE000320321	<b>Independent auditor</b>	PricewaterhouseCoopers Inc. 4 Lisbon Lane, Waterfall City Jukskei View, 2090 Private Bag X36 Sunninghill, 2157 Telephone +27 11 797 4000																
<b>Registered office and business address</b>	Building 5, Maxwell Office Park Magwa Crescent West Waterfall, 2090 Private Bag X2127, Isando, 1600 Telephone +27 11 565 4300	<b>Website</b>	<a href="http://www.premierfmcg.com">www.premierfmcg.com</a>																
<b>Directors</b>	<table> <tr> <td>JJ Gertenbach</td> <td><i>Chief Executive Officer</i></td> </tr> <tr> <td>F Grobbelaar</td> <td><i>Chief Financial Officer</i></td> </tr> <tr> <td>I van Heerden</td> <td><i>Non-executive Chairman</i></td> </tr> <tr> <td>FN Khanyile</td> <td><i>Lead Independent Director</i></td> </tr> <tr> <td>DD Ferreira</td> <td><i>Independent Non-executive</i></td> </tr> <tr> <td>JER Matthews*</td> <td><i>Non-executive</i></td> </tr> <tr> <td>H Ramsumer</td> <td><i>Independent Non-executive</i></td> </tr> <tr> <td>W Sihlobo</td> <td><i>Independent Non-executive</i></td> </tr> </table>	JJ Gertenbach	<i>Chief Executive Officer</i>	F Grobbelaar	<i>Chief Financial Officer</i>	I van Heerden	<i>Non-executive Chairman</i>	FN Khanyile	<i>Lead Independent Director</i>	DD Ferreira	<i>Independent Non-executive</i>	JER Matthews*	<i>Non-executive</i>	H Ramsumer	<i>Independent Non-executive</i>	W Sihlobo	<i>Independent Non-executive</i>	<b>Investor relations</b>	Email: <a href="mailto:investor@premierfmcg.com">investor@premierfmcg.com</a>
JJ Gertenbach	<i>Chief Executive Officer</i>																		
F Grobbelaar	<i>Chief Financial Officer</i>																		
I van Heerden	<i>Non-executive Chairman</i>																		
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H Ramsumer	<i>Independent Non-executive</i>																		
W Sihlobo	<i>Independent Non-executive</i>																		
	<i>* PRN Hayward-Butt is an Alternate Director to JER Matthews</i>	<b>Tax reference number</b>	9102629160																

