



Social, ethics and transformation committee report

I am pleased to present the committee report for the year ended 31 December 2025.

Established under section 72 of the Companies Act, 71 of 2008, this committee functions as a statutory committee of the board, addressing social and economic development, transformation, governance, ethics, safety and health, environmental sustainability, and employment matters on behalf of the group.

This report should be read together with the stakeholder engagement report on page 76 and the sustainability report on page 46 which reports will provide stakeholders with a comprehensive review of how the group creates sustainable value.

Social, ethics and transformation committee:

- **Mamokete Ramathe**, chairperson
- independent non executive director
- **Rajendran Naidu**
- independent non executive director
- **Gary Bell**
- chairman of the board
- non executive director
- **Ashley Bell**
- chief executive
- **Karen van Haght**
- executive group finance director

The committee's comprehensive charter details its composition, functioning and duties in terms of the Companies Act, as amended, the JSE Listings Requirements and King IV™, as well as responsibilities allocated to it by the board. The board approved charter is annually reviewed for relevance.

The committee continues to apply principle 8 of King IV™, namely 'The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties' which emphasises effective delegation to committees. The social and ethics committee has two independent members and a majority of non executive members. It integrates internal ethics with corporate citizenship, centralising responsibility for sustainable development.

The United Nations Global Compact ('UNGC') 10 principles are the foundation for companies seeking to advance the 17 Sustainable Development Goals ('SDG's). Sustainability begins with a company's

values and culture. The 10 principles provide a universal definition for responsible business, calling on all companies to operate in ways that, at a minimum, respect fundamental responsibilities in the areas of human rights, labour, the environment and anti corruption.

Role and responsibilities of the committee

The committee assesses the group's actions in relation to the 10 principles of the UNGC as well as the decent work and working conditions provisions in the International Labour Organisation's ('ILO') 2030 agenda for sustainable development. In line with these principles and goals, and in order to attain true sustainable development in economic, environmental, social and ethical terms, Bell Equipment continues with its journey of identifying, preventing, mitigating and accounting for any negative impacts it may have on society and the environment, and establishing a culture of integrity and compliance.



The committee acts in terms of the board's delegated authority and performs an independent oversight function. It assists the board in monitoring the activities and disclosures of the group and its subsidiaries in terms of law and codes of best practice relating to:

- embedding an ethical culture in the organisation;
- the environment, health and public safety, including the impact of its activities and of its products, and the annual review of the group's environmental policy;
- corporate social investment, including sponsorships, donations and charitable giving;
- stakeholder relations including consumer relationships and contributions to the development of the communities in which it operates;
- strategic empowerment and transformation;
- labour and employment, including the group's standing in terms of the ILO protocol on decent work and working conditions, its employment relations and contributions to the educational development of its employees;
- promotion of equality, prevention of unfair discrimination, and zero tolerance of corruption;
- compliance by the group's supply chain with the group's ethical standards.

Composition of the committee

In line with King IV™ and the committee composition requirements, as well as the provisions of the Companies Act, which requires social and ethics committees to have a majority of non executive directors, the committee complies with King IV™ and the Companies Act, with its five appointed members, three of whom are non executive directors who have not been involved in the management of the company during the previous three financial years.

Both the human resource executive and the group commercial executive attend the meetings of the committee as standing invitees.

The members of the committee are listed on the previous page, and such members of the committee have been nominated by the board for election by the shareholders at the AGM on 4 June 2026.

The five suitably skilled and experienced members have an appropriate mix of talent. Their further biographical details can be found under the Leadership report on page 29.

Attendance at the committee meetings in 2025

	February	August	November
Mamokete Ramathe	✓	✓	✓
Rajendran Naidu	✓	✓	✓
Gary Bell	✓	✓	✓
Ashley Bell	✓	✓	✓
Karen van Haght	✓	✓	✓

Focus areas of the committee in 2025

The following focus areas were considered by the committee:

- A self evaluation exercise of the board and its committees, including this committee, was undertaken by the board.
- An external service provider, Keyter Rech Investor Relations, was appointed in 2025 to undertake a gap analysis to understand the applicable ESG legislation's reporting requirements and ESG disclosures.
- An annual review of the group environmental policy was undertaken by the committee with a specific emphasis on the ESG risks and opportunities affecting the organisation's strategy, specifically climate change and its financial and materiality impacts on the group.
- The committee undertook the annual review of its charter to ensure that the correct focus was being maintained by the committee in terms of its roles and responsibilities.
- The annual work plan was reviewed to continue to align the plan with the committee's mandate, as guided by the Companies Act and King IV™, with ongoing emphasis on ESG matters.
- The committee continued to monitor the code of ethics and the application of such ethical leadership principles throughout the group to ensure continued ethics awareness remains a key focus area for the committee.
- The committee monitored the group's continued commitment to zero tolerance of fraud, theft, corruption or any similar illegal behaviour.

	2025		2024	
	SA	Europe/USA	SA	Europe/USA
No. of whistle blower incidents leading to a disciplinary hearing:	Cases - 28 Disciplinary hearings - 22 Dismissals - 20	Cases - nil	Cases - 39 Disciplinary hearings - 26 Dismissals - 17	Cases - 2 Disciplinary hearings - 1 Dismissals - nil
Incidents of corruption:	nil	nil	nil	nil
No. of employees who were trained for ethics (including fraud awareness training):	• Ethics and fraud awareness training is conducted online for non scheduled employees. • Ethics and fraud awareness training is conducted during induction and through training sessions at the various operations for all scheduled employees.			

- The committee noted the number of risk mitigating controls that have been developed to combat corruption and fraud, including policies, fraud risk assessments, contractual safeguards and the ongoing training that takes place.
- Reports on material disclosures received through the group's anonymous tip offs reporting line administered by Deloitte, as well as any resultant investigations conducted during 2025, were reviewed in conformance with the formalised tip offs policy.
- The committee confirmed that the tip offs reporting line continued to serve its purpose. No financial or in kind political contributions were made directly or indirectly by the group in any of the regions that it operates.
- The committee monitors the company's compliance with BBBEE requirements to ensure improvement in the group's competitiveness within the South African environment. The group's subsidiaries, BECSA and BESSA, completed their verification processes in 2025 and achieved a level 3 and level 1 BBBEE contributor respectively, based on the measurement criteria contained in the BBBEE Codes of Good Practice.



- Bell is a significant trainer and supplier of artisans for the earthmoving industry in southern Africa. In this regard, 244 apprentices have been trained at Bell during the reporting period although the committee noted the challenges that the group continues to face in respect of the sustainable absorption of black apprentices in the industry, who have successfully completed their training.
- The board published its voluntary commitment to reach more than 25% female and 30% black member representation on its board. It noted that the current board composition was in line with the board approved diversity policy and the voluntary race and gender diversity targets as the board had exceeded both its race measurable target and its gender measurable target. The committee continued to deliberate on matters of diversity in a much broader sense in the past year and will continue to review progress at all levels of the organisation to promote diversity in terms of gender, race, culture, age, field of knowledge, skills and experience.
- The committee considered the annual budget in line with the group's social and economic development policy. During 2025, Bell ensured its CSI/SED spend was undertaken with an ongoing focus on education and was directed at community based projects as highlighted in the sustainability report on page 46.
- In line with the Employment Equity Act, the committee monitored the group's development in employment practices and monitored progress against transformation targets and the group's employment equity plan. The three year employment equity plan was presented and approved. The plan was submitted to the Department of Labour and will be tracked on an annual basis. A summary of such plan can be found in the sustainability report on page 46. The committee noted that both the current employment equity policy and employment equity plan, that were approved by the Department of Labour, comply with the provisions of the newly promulgated amended Employment Equity Act.
- Bell has participated successfully in the YES programme for eight years and continued to enjoy the benefits of hosting the candidates inhouse, giving Bell the opportunity to monitor the candidates and identify potential full time employees, trained with the skills required within Bell, who can be absorbed into the company on completion of the twelve month programme, and thereby improve the absorption statistics.
- The ongoing emphasis by the group in its reporting to the committee of the global view of the group's international operations, specifically from an employee and trade union perspective, was provided and assurance was received that the group remains committed to promoting equal opportunities and fair employment practices globally, across all its businesses, and observing the principles advocated by the ILO on decent work conditions.
- Reports on the environment, health and public safety, including the impact of the group's activities and products on the environment and society and the group's continued responsible use of natural resources, were considered by the committee and any issues relating to potential risk of non compliance were addressed. All risk mitigations put in place were applied and there was strict adherence to rules regarding matters of environment, health and safety. The committee noted that the group total accidents and lost time accidents both trended downwards in 2025. The committee ensured continued use of the group's safety management system that applies a behaviour based approach and the use of appropriate control measures to mitigate risks.
- The committee reviewed the group's ongoing engagement with its stakeholders, including its customers, employees, alliance partners and shareholders. Further detail can be found in the stakeholder engagement report on page 76.

Focus areas of the committee during 2026

- Ethics awareness remains a key focus area for the committee and, in this regard, the group has put in place an ethics training programme for 2026 to create a resilient, ethical workplace, ensuring respect and dignity for all employees.
- The committee continues to provide meaningful oversight, aligning with the adoption of King V™'s goal of promoting ethical leadership and sustainable corporate resilience in South Africa and globally as a group. The committee will continue to work with the board to further integrate sustainability into the group strategy.
- The committee maintains its oversight in respect of the group's South African operation's progress in relation to its transformation targets to ensure alignment with the group's business objectives and strategies.
- The committee shall continue to focus on meaningful disclosure of the group's ESG risks and opportunities.
- The committee will consider the outcome of its 2025 self evaluation assessment to determine whether it is satisfied that the evaluation process is improving its performance and effectiveness by identifying its strengths and areas for development. The areas of concern raised will be debated and an agenda will be produced to act on such areas for development to ensure an even more effective committee.

Conclusion

The committee believes that Bell Equipment is addressing the key issues that need monitoring in line with the Companies Act and King IV™. For the period under review there have been no instances of material non compliance with relevant legislation or non adherence to codes of best practice that fall within the committee's mandate.

In line with the Companies Act, the committee report will be presented at the group's AGM to be held on 4 June 2026 and I, as chairperson of this committee, will be available at the AGM to respond to any enquiries regarding the statutory obligations of the committee.

M Ramathe
Chairperson
Social, ethics and transformation committee

30 March 2026

