NETCARE

Netcare Limited

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

For the year ended 30 September 2025

Our reporting suite

Materiality consideration: impact

Environmental, social and governance report
THIS REPORT

The ESG report explains in detail the Group's economic, social and environmental impacts, and the governance practices and approaches that ensure these impacts are appropriately managed to secure the Group's long-term sustainability.

Audience: all key stakeholder groups, prospective investors and employees, doctors considering joining the Group, ESG rating agencies and broader society.

Assurance: CA ELA OA

Key regulatory and reporting frameworks applied
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Quality report
The quality report explains in detail the Group's consistency of care strategy and includes clinical outcomes data and measurement requirements.

Audience: patients, doctors, allied healthcare professionals, private medical funders and regulators.

Assurance: CA

Materiality consideration: impact and financial

Integrated report
The integrated report explains Netcare's strategy to create a sustainable competitive advantage and deliberate social, economic and environmental value. It provides material information on how the Group creates and preserves enterprise value and mitigates its erosion over time. Detailed analysis of our financial, environmental, social and governance performance can be found in our other online publications.

Audience: primarily providers of financial capital, analysts and prospective investors; however, the report is also relevant to other stakeholders as it discusses how Netcare creates, preserves or may lose value across the six capitals.

Assurance: CA EA ELA OA

Key regulatory and reporting frameworks applied
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Shareholder report
The shareholder report provides detailed disclosure on the Group's approach to ethical business conduct, corporate governance and remuneration. The report includes the full remuneration policy and implementation report and the summarised Group annual financial statements.

Audience: all of our key stakeholder groups, prospective investors and employees, credit and ESG rating agencies and broader society.

Assurance: CA EA

Key regulatory and reporting frameworks applied
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Materiality consideration: financial

Annual financial statements
The Group's audited annual financial statements, including the report of the independent auditor, provide information on the Group's financial position and performance, and include important regulatory disclosures.

Audience: providers of financial capital, analysts, credit rating agencies, regulators and other stakeholders.

Assurance: CA EA

Key regulatory and reporting frameworks applied
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Key regulatory and reporting frameworks

- International <IR> Framework (January 2021).
- King Report on Corporate Governance for South Africa (2016)™ (King IV)[1].
- South African Companies Act 71 of 2008, as amended (Companies Act).
- JSE Listings Requirements.
- International Financial Reporting Standards (IFRS)® Accounting Standards.
- SAICA[2] Financial Reporting Guides.
- Global Reporting Initiative (GRI) Standards.
- Task Force on Climate-related Financial Disclosures.
- UN Sustainable Development Goals.
- UN Global Compact.
- Broad-based Black Economic Empowerment Act, 53 of 2003.
- ❖ IFRS Sustainability Disclosure Standards were considered.

1. King IV copyright and trademarks are owned by the Institute of Directors in Southern Africa NPC and all of its rights are reserved.
2. **SAICA:** South African Institute of Chartered Accountants.

Assurance

- **CA** Management and Board oversight through internal reporting and internal audit.
- **EA** External audit of financial information.
- **ELA** External limited assurance over selected KPIs.
- **OA** Other external verification of selected KPIs eg B-BBEE scorecard.

Where to find our reports

Access our reports at www.netcare.co.za/Netcare-Investor-Relations or use the links on this page.

Additional information

- Key ESG indicator report.
- GRI content index.
- Notice of AGM and proxy form.
- Broad-based Black Economic Empowerment certificate.
- Hospital listing (downloads tab).

Contents

Navigating this report

This is an interactive report. It is best viewed in Adobe Acrobat for desktop, mobile or tablet.

The navigation tools are located at the top right-hand side of each page of the report.

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The following icons refer readers to additional information.

Information in this report.

Information online.

Click to download or update _Adobe Acrobat Reader_.

We welcome your feedback to enhance the quality of our reporting. Please email your feedback to _investor.relations@netcare.co.za_.

Our ESG report

Our promise, purpose and values ensure that care for people and society is intrinsic to our decisions and actions, and our strategy is designed to achieve the most favourable balance between long-term value creation and short-term results.

The 2025 Netcare Environmental, Social and Governance Report aims to provide tangible, credible demonstrations of the Group's impacts on the economy, society and the environment, transparently reporting on our ESG-related risks and opportunities. It also sets out the practices and approaches we use to ensure these are appropriately managed.

The report addresses the material impacts and performance achieved by Netcare for the period 1 October 2024 to 30 September 2025 (FY 2025) and includes material information up to Social and Ethics chair approval on 8 December 2025.

Scope and boundary

Includes: all Netcare hospitals, Netcare Akeso mental health facilities, Netcare Medicross medical and dental centres, Netcare 911 and all other Netcare subsidiaries. National Renal Care is excluded unless specifically stated. A list of principal subsidiaries is provided in the Group's annual financial statements.

Operating context: key elements are discussed in each critical issues section.

Stakeholder concerns: noted at the beginning of each performance section.

ESG risks and opportunities: page 13 and throughout the report.

Capitals: primarily human, social and relationship and natural capitals.

Our promise

We promise to care for **you**, and about **you**, in a manner that places **you** and your family at the centre of everything we do. We recognise that **you** are an individual with unique needs and expectations. We recognise the importance of your family and loved ones in your healing process. We are here to ensure that we provide **you** with the best and safest care, when **you** need it and in a way that we would wish for our loved ones.

Our purpose
Providing **YOU** with the best and safest care

Our values
Care | Dignity | Participation
Truth | Compassion

Materiality

Our material matters capture the issues most likely to impact our ability to create and sustain value in the future. As these matters are dynamic, we update them annually to reflect the evolving context in which we operate.

Using a double materiality lens, we consider the following when determining our material matters: global trends in healthcare, our operating environment and the associated risks and opportunities, our business model and strategy and how they impact on the six capitals and the world around us, and material stakeholder interests.

We use a double materiality determination process

Financial materiality
How the economy, society and the environment impact Netcare's ability to create enterprise value.

Reporting
Integrated and shareholder reports and annual financial statements.

Focus
Short, medium and long-term value creation.

Impact materiality
How Netcare impacts the economy, society and the environment.

Reporting
ESG and shareholder reports.

Focus
Long-term sustainability.

Our material matters inform the Netcare strategy over the short term (FY 2026), medium term (FY 2027 to FY 2028) and longer term (FY 2029 and beyond). The material matters, together with leadership insight, provide stakeholders with useful information to assess our impacts and ability to create sustainable value over time, and inform the decisions they make about Netcare. ESG-related material matters are presented on page 6 of this report, with full detail provided in the *integrated report online*.

Following the review and feedback from key Executive Committee members, the Board debated the material matters and ranked and approved them on 18 September 2025.

Our ESG report *continued*

ESG-related financial impacts

We have noted the transfer of the TCFD, which laid the groundwork for climate-related financial disclosures, to the ISSB[1]. While the ISSB's IFRS S1 (sustainability-related standards) and IFRS S2 (climate change-related standards) are not currently a disclosure requirement for South African listed companies, we conducted a thorough gap analysis in FY 2025 against the core requirements of IFRS S1 and S2. This will be used to improve our reporting to ensure we provide relevant and decision-useful ESG information to our stakeholders.

Additional and forward-looking information

Additional information on our ESG-related performance and how we align with external frameworks is available in our *GRI index*, *CDP submission* and *key ESG indicator report*. We report on governance information at a greater level of detail in the *shareholder report*, and our *integrated report* includes ESG-related information as this relates to value creation, preservation and/or erosion.

Certain statements in our report are forward looking and involve risk and uncertainty as they relate to future events and circumstances that may be beyond the Group's control, which may impact our performance and expectations. Our disclaimer on forward-looking statements can be found on page 112.

Process to compile this report

This report has been compiled from a comprehensive range of sources, including internal management, strategy and Board reports[2]; interviews with the chair of the Social and Ethics Committee, Board chair and the CEO; insights from executive management, stakeholder relationship owners and various functions such as the governance, risk and HR teams; and research on the operating environment and sector trends.

Executive management is responsible for the preparation and presentation of the report, led by the CFO. A specially convened Review Panel of select Executive Committee members (including the CFO) and the CEO review the report when it is near completion, followed by a final review by the Social and Ethics Committee chair. Information is only excluded from this report on the basis that it is deemed immaterial at this time, is legally privileged or competitively sensitive.

Assurance

The reporting suite approval process and assurance obtained in line with our combined assurance model ensure the integrity of this report. The Audit Committee oversees the combined assurance model and internal audit's assessment of the Group's financial, operating, compliance and risk management control environment. This supports the integrity of information used in internal decision-making and our reporting to external stakeholders.

Assurance on financial information and certain non-financial performance indicators has been obtained in line with our combined assurance model, with feedback provided to the Group's Risk and Audit committees and the Executive Committee. Non-financial information is assured by internal audit on a cyclical basis.

Internal audit conducted the following limited assurance activities (beyond managerial level):
- The governance framework (King IV application).
- Remuneration (FY 2025 BSC).
- Certain non-financial information, including key operational performance metrics where these overlap with those reported in the integrated report (eg activity metrics such as patient days etc).

Independent assurance provided includes:
- **Deloitte & Touche (unmodified assurance):** Group annual financial statements.
- **Empowerdex (verification):** *B-BBEE scorecard* and rating.
- **Verify CO$_2$ (limited assurance):** energy, carbon footprint, waste generation and water usage.
- **The Green House (limited assurance):** Scope 3 emissions.
- **Talbot and Talbot (limited assurance):** Netcare's CDP disclosures.

Approval

The chair of the Social and Ethics Committee is responsible for overseeing the preparation and presentation of the ESG report and ensuring its integrity. The chair approved the report on behalf of the Board on 8 December 2025. The CEO and CFO approved the report on 15 December 2025.

Dr Roze Phillips
Social and Ethics Committee Chair[3]

1. **ISSB:** *International Sustainability Standards Board.*
2. *Documents that are most likely to include the matters deemed most material in leading, governing and operating Netcare in relation to current economic, social and environmental realities.*
3. *For security reasons, signatures are not included in our reporting suite.*

Who we are

The Netcare Group is a leading provider of private healthcare services in SA. We provide acute services across our national network of hospitals and are the market leader in mental health services. We provide emergency care, cancer care, diagnostic support, primary care and renal care as well as occupational health and wellness services. We improve access to affordable high-quality healthcare through NetcarePlus, and Netcare Education develops healthcare professionals in nursing and emergency medical services.

49 acute hospitals
9 831 beds
10 day clinics

14 mental health hospitals
1 007 beds

7 radiation centres
8 haematology centres

78 chronic renal dialysis facilities
1 047 dialysis stations
181 acute renal dialysis sites

163 service points

5 nursing education colleges
2 emergency and critical care colleges

91 emergency sites

63 primary healthcare facilities

50 occupational health service contracts

1 044 clients

Insurance products, prepaid procedures, prepaid healthcare vouchers

Netcare Hospitals
Netcare Akeso
Netcare 911
Netcare Cancer Care
Netcare Medicross
National Renal Care
Netcare Occupational Health
Netcare Diagnostics
Lyra Wellbeing
Netcare Education
NetcarePlus

Person centred health and care
Digitally enabled, data and AI driven

Our unique ecosystem of assets and services

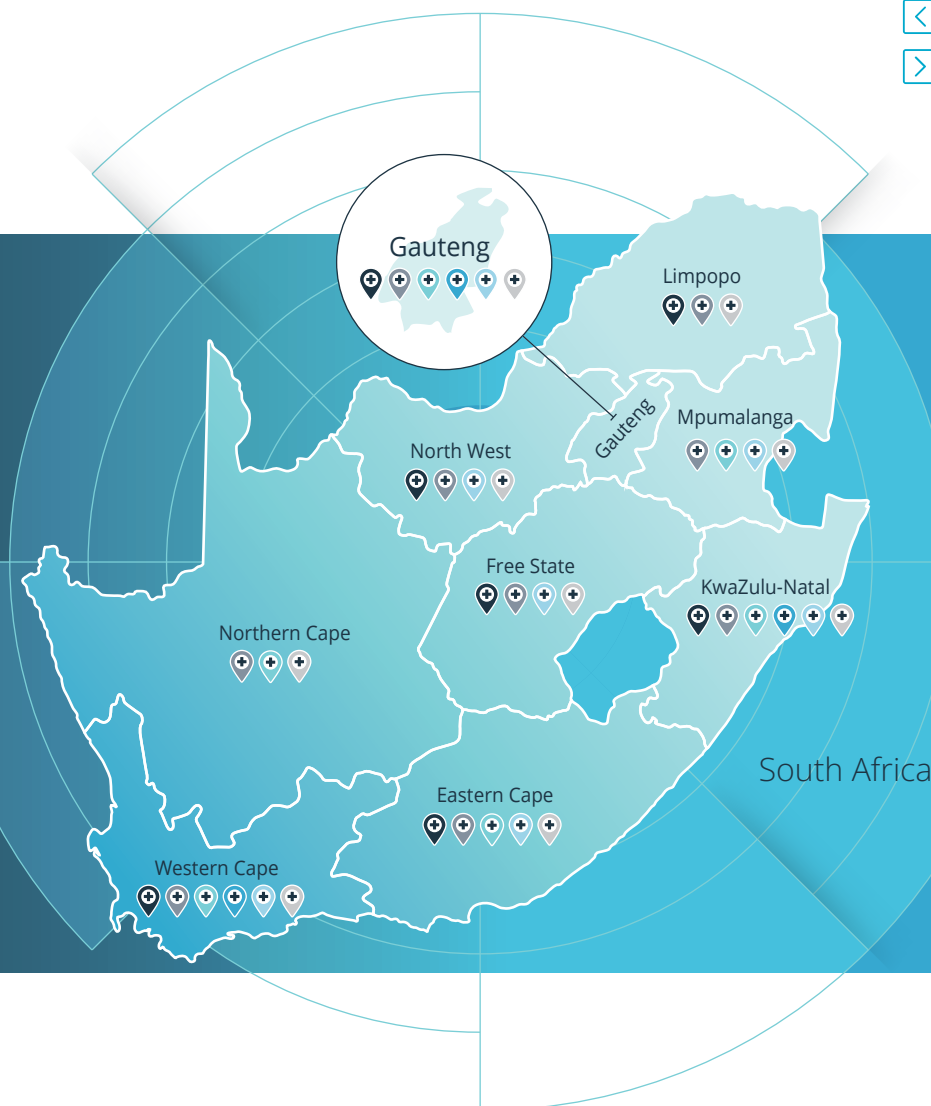*For greater detail, see the* **integrated report online**.

Who we are continued

Where we are

- ⊕ Netcare acute hospitals
- ⊕ Netcare 911 bases
- ⊕ Netcare Akeso hospitals
- ⊕ Netcare Cancer Care centres
- ⊕ Primary care facilities
- ⊕ National Renal Care facilities

Gauteng

Limpopo

Mpumalanga

North West

Free State

KwaZulu-Natal

Northern Cape

Eastern Cape

Western Cape

South Africa

Facility	Netcare acute hospitals	Beds	Netcare 911 bases	Netcare Akeso hospitals	Beds	Netcare Cancer Care centres	Primary care facilities	National Renal Care facilities
Eastern Cape	2	489	3	1	72		5	10
Free State	4	408	5				1	4
Gauteng	26	5 585	24	4	415	10	20	29
KwaZulu-Natal	10	2 003	9	3	176	3	15	14
Limpopo	1	200	12					3
Mpumalanga			26	1	75		2	1
North West	1	211	7				2	2
Northern Cape			1				2	1
Western Cape	5	935	4	5	269	2	16	14

Our material matters

Our material matters are the issues most likely to influence the conclusions stakeholders may draw about Netcare's impacts and our ability to create, preserve or erode value for them over time.

The ESG-related material matters and associated aspects arising from our annual materiality determination process (**page 2**) are presented below. The complete set of material matters is available in the *integrated report online*.

Material matter 1: grow market share and long-term profitability

Aspects	FY 2024 ranking	Read further
04 Competitive differentiation	2	Our ESG ratings and accolades: *page 26*. Our environmental sustainability programme: *page 33*. Digitised employee engagement, particularly MyNetCareer: *page 59*.

Material matter 2: outstanding person centred health and care that is digitally enabled and data and AI driven

Aspects	FY 2024 ranking	Read further
01 Consistent and measurably better quality of care	1	The nursing skills shortage: *page 51*. Developing and managing talent: *page 69*. Minimising our environmental impact: *page 28*. Municipal infrastructure failures: *page 31*.

Material matter 3: attract, retain and invest in our employees and healthcare practitioners

Aspects	FY 2024 ranking	Read further
02 Recruit and retain highly skilled and/or specialised employees 03 Digitised and optimised HR processes and initiatives 04 Effective employee relations processes	3	Driving employee engagement: *page 58*. Developing and managing talent: *page 69*. Supporting health and wellbeing: *page 64*.

Our material matters *continued*

Material matter 4: effective leadership and responsible business conduct

Aspects	FY 2024 ranking	Read further
01 Effective ethics, compliance and governance processes and practices		Critical issues: *page 89*.
02 Leadership and executive capability		ESG governance overview: *page 93*.
03 Stakeholder engagement	5	Ethical and compliant business conduct: *page 100*.
		Protecting data and stakeholder privacy: *page 103*.
		Developing and managing talent: *page 69*.
		A diverse and inclusive workplace: *page 76*.
		Our stakeholders: *page 11*.

Material matter 5: accelerating transformation and access to quality health and care in SA

Aspects	FY 2024 ranking	Read further
01 Collaboration with government and health sector stakeholders		The nursing skills shortage: *page 51*.
02 Doctor and workforce transformation and diversity		Sustainable universal healthcare: *page 53*.
03 Employment creation		Developing and managing talent: *page 69*.
04 Inclusive and diversified supply chain	4	A diverse and inclusive workplace: *page 76*.
05 A challenging socioeconomic context		Socioeconomic inclusion in our sector: *page 80*.
06 Impactful socioeconomic development initiatives		The South African socioeconomic environment: *page 51*.
		B-BBEE ownership benefiting communities: *page 75*.
		Caring for our communities: *page 84*.

Introduction

Our approach to ESG

Environmental impact

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01

OUR APPROACH TO ESG

Social and Ethics Committee chair's review

In a world of accelerating complexity, as technology reshapes human experience and access to economic freedom remains a privilege for the few, as environmental boundaries are breached and climate volatility tests global resilience, governance must be more than compliance, it must be catalytic. Amid existential threat and systemic vulnerability, we dare to dream of better – to do not just less harm but to do more good, to not only hold ourselves accountable but to expect the best possible.

Dr Roze Phillips

It is a defining and rewarding time to lead and serve on the Social and Ethics Committee. As we assume greater accountability and influence in our governance role, Netcare is setting new benchmarks for the delivery of care and innovation in our sector, collaboratively advancing health equity and social justice in our country, and creating enduring value through environmental leadership. These aspirations are not peripheral to our strategy; they are foundational.

Netcare understands that our stakeholders' trust, and the legitimacy it bestows, earns us our social – and indeed our commercial – licences to operate. As we reach for distinction and leadership as a provider of care and an innovator in African healthcare, the Social and Ethics Committee – bound in company law and governance best practice – will ensure our ambition remains well-grounded in legitimacy, and our feet are held to the fire in meeting our stakeholders' expectations reliably and ethically. More so, that we embed an integrated understanding and an intrinsic stewardship of ESG imperatives in every idea, intention, interaction and innovation that defines our strategic answer to the uncertainty and disruption of our time.

Integrated governance for a new era

Existential threat and systemic vulnerability dominate the operating context in which we seek to create sustainable net positive value for all our stakeholders. This includes climate volatility and biodiversity loss disproportionately affecting vulnerable communities on our continent; the profound implications of demographic shifts and heightened stakeholder expectations for governments and businesses; and the gathering momentum of the AI revolution – with the potential to alleviate and/or exacerbate all of these. These global megatrends intersect to create unprecedented complexity.

At home, while SA's economic outlook shows promise for the first time in decades, with constraints easing for consumers, progress in structural reforms and growth trending up, real GDP growth forecasts remain underwhelming given the levels of inclusive growth needed to drive meaningful job creation. Other challenges such as infrastructure failure and high levels of corruption exacerbate the country's socioeconomic fragility, with the need for economic equality and social justice growing more pressing by the day.

Social and Ethics Committee chair's review continued

For businesses, these dynamics make social legitimacy and stakeholder trust not only the preface for success but the premise for survival. To navigate the risks and discover the opportunities of this perplexing context, governance cannot be siloed or perfunctory. Boards must apply integrated oversight with a double lens – deeply understanding the impact of the world around them on risk, resilience and value potential; while ensuring that the companies they lead fulfil their stakeholders' respective expectations of value creation, and that their impacts on the 'triple context'[1] are not only perceived to be beyond reproach but actively advancing their sustainable development.

In 2025, this mandate was entrusted to social and ethics committees. The elevation of the Social and Ethics Committee's governance authority under the Companies Act[2] and King V[3] sharpened our mandate: from passive guardian to active influencer, from monitoring compliance to shaping outcomes. This evolution is not cosmetic; it is statutory, structural and strategic. Positioned alongside the Audit and Risk committees, with formal oversight, composition, competency and reporting requirements, our accountability to shareholders is explicit and our effectiveness subject to an annual vote.

Netcare and the Social and Ethics Committee enter this new era from a position of strength. The Group's governance framework has over time been anchored in the respective King Codes, which has maintained its widely held status as a global governance benchmark. King IV principles have been embedded in our governance approach, structures and procedures for over a decade. They embedded stakeholder inclusion, an integrated concept of value, and sustainable development in the Board's stewardship. Now, it is the obligation of the committee to raise the bar in examining impact and exercising our authority to influence it from an integrated 'double materiality' perspective. Giving weight to our credibility is the expectation of expanded independent and combined assurance processes. To this end, we strengthened these mechanisms during the year, submitting and securing approval for our SBTi[4] targets for net zero by 2050, and initiated a gap analysis against IFRS S1 and S2[5] to prepare for ISSB[6]-aligned disclosures.

Leading African healthcare in ethical innovation

Netcare's bold strategy to deliver person centred health and care that is digitally enabled and data and AI driven is reshaping the delivery of care in an African context. The completion of the first phase of our strategy, which digitised our entire clinical ecosystem, has markedly improved operational efficiency and patient safety. Building on this digital platform, the Group is now leveraging advanced analytics and AI to enhance clinical decision-making and clinical cost efficiency to improve outcomes not only for patients, but also nurses, clinicians and funders. Our strategic progress is securing the sustainable competitive advantage we set out to achieve when we began this transformational journey in 2018.

The innovation made possible by our headstart in digital, data and AI enablement positions Netcare as the continent's innovation leader in health and care. This is not rhetoric; it is evidenced by several continental and even global firsts. Crucially, these innovations apply a human-first approach aimed at empowering, not replacing, people. AI-human collaboration makes cutting-edge innovation and empathic patient engagement possible – a unity that is improving clinical outcomes while enhancing patient experience and deepening trust. Key indicators are showing this already – patient satisfaction measures continue to improve, and nurse compassion scores reached 8.36 in the year (FY2024: 8.26).

For the Social and Ethics Committee, this strategic trajectory demands rigorous oversight of technology governance and responsible innovation – ensuring these advances enhance outcomes while safeguarding ethics, equity and trust. Our commitment to ethical application of digital, data and AI enablement is unequivocal. Governance guardrails for AI have been strengthened, with frameworks protecting 'human-in-the-loop' professional clinical judgment, and addressing bias mitigation and algorithmic transparency. We have prioritised the consideration and assessment of the environmental impact of our digital strategy and particularly of AI. Cybersecurity resilience remains a strategic priority, supported by infrastructure upgrades, stringent protocols to protect patient data, and reinforced privacy safeguards. Comprehensive third-party compliance assessments ensure robust protection against escalating cyber threats.

As indicated, our approach to technology extends to human empowerment and therefore also creates socioeconomic value. The digital fluency of our employees will be as critical as their compassion, resilience and adaptability to the achievement of our strategic ambition. Care4YOU, our compassion-based training programme, has delivered over 71,000 sessions since inception, reinforcing a culture of empathy that complements technological advancement. Our Top Employer certification affirms the excellence and the international comparability of our people practices, while succession planning ensures leadership continuity in critical digital and clinical domains. Positive indicators continue to underpin the quality of Netcare's employee value proposition. In FY 2025, voluntary labour turnover declined to 7.8% (FY 2024: 12.9%), supported by wellbeing initiatives and the benefits that will come from the digitisation of our HR processes. These include streamlined recruitment and payroll processes and enhanced workforce planning, which will improve employee experience through faster, more transparent interactions.

Doing more good in health equity and social justice

Netcare's commitment to the transformation of SA and to the national healthcare system as a provider, partner and powerful force for social good is longstanding. As a proud and engaged corporate citizen, we embrace the obligation of redress for the inequities of SA's past, and our role as a steward of social justice in the SA of today. This begins with zero tolerance for any form of unethical behaviour be it theft, fraud, corruption, bullying, discrimination or racism. Mechanisms are in place to report any contravention of our Code of Conduct, while whistleblowing is encouraged and protected. Similarly, the understanding that we are integral to the national healthcare system, and our acknowledgment of the moral responsibility we carry to assist in addressing the stark imbalances in expenditure, capacity and quality that characterise it, anchors our commitment and informs our approach to advancing health equity.

1. King IV introduced the "triple context", being the three interconnected spheres in which a company operates and creates impact: the economy, society, and the environment.
2. Companies Act: Companies Act, 2008 (Act No. 71 of 2008 of South Africa).
3. **King V:** King V Report on Corporate Governance for South Africa.
4. **SBTi:** Science Based Targets initiative.
5. **IFRS S1:** International Financial Reporting Standard S1 – General Requirements for Disclosure of Sustainability-related Financial Information; and **IFRS S2:** International Financial Reporting Standard S2 – Climate-related Disclosures.
6. **ISSB:** International Sustainability Standards Board.

Social and Ethics Committee chair's review continued

The NHI seeks to close the gap in SA's structurally dualistic and unequal healthcare system by introducing universal health coverage as a foundation for equitable access to quality care. Netcare's Board is unequivocal in our support of universal health coverage as a mechanism to advance health equity. That said, we have voiced legitimate concerns about the NHI through HASA[1], which seeks judicial certainty in respect of protecting our stakeholders' rights, and clarity regarding the constitutionality, viability and affordability of the NHI. However, collaboration not confrontation defines our approach. We remain as willing and committed as we have always been to constructive engagement and pragmatic partnerships with the public sector not only to relieve pressure on public services and widen access to quality care, but also to offer practical ways to support public sector capability.

Netcare Education plays a pivotal role in supporting the sustainability of the national healthcare system and advancing health equity by addressing SA's critical healthcare skills gap. In 2025, after years of engagement with regulators, Netcare Education received approval to double its nurse intake (from around 300 in 2023 to around 600 in 2025) and was granted accreditation for the Postgraduate Diploma in Adult Critical Care Nursing. Besides expanding our capacity to strengthen the talent pipeline for Netcare and the country, this development reinforces our legitimacy as a committed partner in building a more inclusive, resilient healthcare system.

Aligning our moral responsibility to advance health equity with the strategic growth opportunity it presents, we are developing innovative healthcare access solutions designed to make quality private care more attainable for uninsured and underinsured individuals. NetcarePlus offers flexible, cost-effective products such as accident and trauma cover, gap cover, and other tailored benefits, empowering more South Africans to access trusted Netcare services without full medical aid membership. NetcarePlus was ranked as the top performer in the Medical Insurance category of the Ask Afrika Orange Index 2024/2025 and shows strong potential for significant growth and scalability.

As an expression of our commitment to being a force for social good, and our credibility as a partner to the public sector, socioeconomic transformation remains integral to our commitment to constitutional redress and social justice. Netcare sustained its Level 3 B-BBEE rating for the fourth consecutive year, with improvements in management control, skills development and preferential procurement. In FY 2025, R7.7 billion (59% of measurable spend) was directed to ≥51% black-owned suppliers, and R5.0 billion (39%) to black women-owned suppliers. Our ESD programme invested R140 million, supporting eight high-potential small businesses and onboarding four new beneficiaries. Acknowledging that SMMEs are the engines of job creation, these efforts stimulate inclusive economic growth while diversifying the healthcare value chain and improving its resilience.

Our corporate social investment strategy, anchored by the Netcare Foundation, continues to deliver meaningful impact. Programmes focused on healthcare access for indigent patients and community-based health education take quality care from our facilities into marginalised communities. We also give our attention to specific social ills; for many years, Netcare Sexual Assault Crisis Centres have been providing critical support to survivors of gender-based violence, one of SA's most pervasive social injustices. Thus far, over 17 400 survivors have received assistance through the centres. In addition, we look to bring innovative ideas into the social impact space – My Walk Made with Soul repurposes medical waste, specifically single-use high-quality PVC waste, to make waterproof school shoes for underprivileged children. Since inception more than 335 000 pairs of school shoes have been made – this recycling initiative also promotes circular economy principles.

Enduring value creation through environmental leadership

Climate change and weather-related impacts are not distant risks; they are a present and escalating threat to public health and socioeconomic wellbeing, especially of vulnerable communities. Netcare's environmental sustainability programme, initiated in 2013, has positioned the Group as Africa's leader in healthcare sustainability, earning 54 local and international awards since inception. With cumulative benefits from the programme now exceeding R1.5 billion in cost avoidance and operational savings, while reducing emissions and resource consumption, our future commitment is bold: to achieve net zero emissions well ahead of 2050. We were the first healthcare organisation in Africa to join the UN's Race to Zero 2050 Challenge.

In FY 2025, we made strong progress toward our ambitious 2030 targets. Absolute Scope 1 and 2 emissions decreased by 5%, total energy consumption fell 7%, and water intensity reduced by 14% year on year. We have already exceeded our 2030 environmental strategy target for water intensity and will set a new target for this metric in future, recognising SA's status as a water scarce country. Total waste recycled increased to over 50%, and we recycled 30% of healthcare risk waste, an outstanding achievement given the stringent regulations around disposing of this type of waste.

The second phase of our environmental sustainability programme, the 2030 environmental strategy, has already delivered R42 million in cost savings in just its second year of implementation. Innovation underpins all these achievements, with a compelling example being the commissioning of an anaerobic digestion plant, converting food waste to energy and producing organic fertiliser for local use; a first for hospitals in Africa. The benefits of our environmental sustainability strategy are far-reaching, ensuring continuity of care and operational resilience, as well as cost avoidance and enduring environmental benefits.

Looking to 2030: oversight, insight and inspiration

As we move forward, our intention is to not only comply with the new requirements but to set the benchmark for governance excellence in African healthcare. To achieve full adherence to King V, we will enhance our oversight by formalising the double materiality approach into a documented, auditable governance process, extending external assurance to social metrics, and expanding our reporting on stakeholder engagement outcomes and environmental impact. We will engage deeply with the extensive implications of AI governance, from digital literacy and data sovereignty to human-AI collaboration and bias mitigation, as well as the growing concern around the environmental footprint of AI, systematically improving the related disclosure.

Besides oversight, our insight will guide Netcare's ambition to lead in the quality, affordability and sustainability of care in our sector, driving accessibility and deepening legitimacy and trust among all our stakeholders. Our inspiration to embed ethics, equity and accountability in every idea, intention and interaction will be the privilege of applying our agency in shaping a model for African healthcare that is more innovative, more equal, more sustainable – and profoundly more human.

Dr Roze Phillips
Social and Ethics Committee Chair

1. *HASA: The Hospital Association of South Africa.*

Our stakeholders

Strong stakeholder relationships support our purpose to provide the best and safest care for our patients, deliver on strategy and support our commitment to being a force for social good – building a more inclusive and equal SA for all.

Meaningful and sufficiently frequent engagement with our stakeholders provides insight into how our business activities impact and are impacted by them. We have various mechanisms in place to ensure that we can understand and respond to stakeholders' legitimate concerns and expectations as well as any risks that may impact the quality of our stakeholder relationships. Details on stakeholder concerns and expectations can be found on the cover page of each performance section in this report (**pages 29, 50** and **88**).

Stakeholders and our approach

Our patients
Medically insured, self-pay, government-funded and foreign patients.

How we engage
- Person centred care teams.
- Patient focus groups and listening forums.
- Various digital platforms (eg patient feedback surveys, MyNetcare Online (patient portal), the Netcare App, the ONE Netcare website and social media).
- **appoint**med™ (appointment booking system).
- Summary of Care reports.
- CareNet (complaint management system).

Our people
Nurses, paramedics and pharmacists; support, operational, IT and administration teams; contracted employees and the labour unions that represent our employees.

How we engage

📄 *How we engage with our people: **page 58**.*

📄 *How we engage with trade unions: **page 63**.*

Doctors and allied healthcare professionals
Independent specialists and healthcare professionals across all clinical disciplines.

How we engage
- Doctor engagement surveys.
- Online doctor portal.
- Various structures that support the sharing of information on quality of care (eg. personalised clinical information tools, physician and practitioner advisory boards, clinical governance engagements, practitioners forums and meetings etc).

Private medical funders
National and international private medical funders, together with the Compensation Fund for Occupational Injuries and Diseases.

How we engage
- Day-to-day interventions on patient coding and case management.
- Dedicated relationship managers.
- Quarterly quality of care reports as per contractual agreements.
- Contract and tariff negotiations.

🖱 *Read about how we address doctors' and allied healthcare professionals' needs, concerns and interests, particularly how we address the critical matter of Netcare's inclusion in restricted provider networks in the **integrated report online**.*

🖱 *Read about how we address funders' needs, concerns and interests, particularly cost-effective care (clinical efficiency and optimisation initiatives) in the **integrated report online**.*

Our stakeholders continued

Stakeholders and our approach

Suppliers

Suppliers of medicines, equipment, consumables, IT and digital offerings and outsourced services, including consultants and construction companies.

How we engage

- Review meetings with key suppliers (quarterly) and strategic commodity suppliers (monthly).
- Tender processes and contract negotiations.
- Service level agreements.
- Digitised source-to-contract platform.
- Supplier assessments (prior to entering our supply chain and later against KPIs).
- Medical conferences, exhibitions and webinars.
- Online supplier surveys.

Investors

Shareholders and the investment community.

How we engage

- Investor roadshows, meetings and site visits.
- Investor days.
- Annual reporting suite and interim reporting.
- SENS announcements.
- Various investor healthcare and general investor conferences.
- ESG ratings agencies.

Regulators and government

Authorities that regulate healthcare providers, funders and the sector.

How we engage

- Direct engagement and engagement through sector and business association memberships.
- Bilateral engagements.
- Submissions on draft policy and regulations.
- Certification audits.
- Office of Health Standards Compliance inspections.
- Our participation in national initiatives that support SA's development and address transformation challenges.

Society

The aggregated interests of current and future generations (media and academia being proxy for these interests), communities, sponsorship partners and NPOs.

How we engage

- Sector and business association memberships.
- Our participation in national initiatives.
- The Netcare Foundation.
- The HPFL[1] B-BBEE trusts.
- Academia and research institutions.
- Social media platforms.

1. **HPFL:** Health Partners for Life.

Read more about our stakeholders, their interests, how we engage with them, and how we address their needs in our integrated report online.

Read more about our approach to stakeholder engagement and inclusion in our shareholder report online: Governance report.

Read more about how we meet our patients' needs and expectations in our quality report online.

Our ESG risks and opportunities

Considerations of our ESG risks and opportunities are integrated into our embedded risk management framework, supporting our commitments to deepen the socioeconomic value we create for stakeholders and society and minimise the negative environmental impacts of our business activities and operations.

Our approach to identifying, managing and governing risks and opportunities

Governance and oversight

The Board approves the risk levels the Group can tolerate, and risk tolerance varies for each top business risk. The Group has zero-tolerance for unethical behaviour, including fraud, corruption, bullying, discrimination and racism, and no appetite for legal and regulatory non-compliance.

The Social and Ethics Committee ensures that the Group's codes of conduct and social and ethics policies address key social and ethical risks and sets a strategy for managing ethics that is informed by the related risks faced by the Group.

The Audit and Risk committees oversee the implementation of clearly defined processes to identify and effectively manage risks.

Identifying risks

Many of our ESG-related risks are included in our top business risks and are identified using the same process. Strategic risk assessments are conducted at least twice a year before Risk Committee meetings. Operational and executive teams across the Group identify key business and operational[1] risks, evaluating their impact, likelihood and materiality, the Group's exposure and the attention required from leadership to manage them. The risk management team, with leadership and the Risk and Audit committees, identifies the top business risks. These are the risks that affect the Group's strategy and sustainability by having an adverse impact on important assets (eg leadership and employee competence and commitment, the competitiveness of our brands and stakeholder perceptions).

ESG-related risks that are not included in our top business risks are monitored by relevant management teams and Operating committees (eg the Sustainability, Operational Transformation, Procurement, AI and IT Management committees) and overseen by the Social and Ethics, Audit and Risk committees.

We ensure comprehensive, timely, relevant, accurate and accessible risk disclosure to stakeholders, without compromising sensitive information.

Five levels of assurance

The combined assurance model optimises all assurance services and functions to ensure effective decision-making processes and systems of internal controls, and to support the integrity of Netcare's external reporting.

Managing risks

Our systems and processes for managing risk include monitoring changes in the external and internal operating context; organisational resilience; the nature and potential impact of risks, the impact of risks and the likelihood they may materialise; the extent and categories of risks regarded as acceptable; our ability to reduce the incidence and impact to the business should a risk materialise; the effectiveness of risk response plans; the cost of risk response plans and processes relative to the exposure and benefits obtained; and the expectations and concerns of key stakeholders.

*ESG governance overview: **page 93**.*

*Business risks and details on assurance in the **integrated report online: Our risks and opportunities**.*

*Detailed disclosure in the **shareholder report online: Governance report**.*

1. An operational risk is a risk arising from the execution of our business functions, including loss due to inadequate or failed internal processes, people and systems. Operational risks can be mitigated by management actions.

Our ESG risks and opportunities continued

Climate change

Context and impact

Physical risks (short term): extreme weather events may disrupt economies, business operations and supply chains, damage facilities and equipment and prevent patients from accessing care. For Netcare, they also pose risks for paramedics operating on the ground and in the air. Higher temperatures may negatively impact infection control and increase energy used for cooling facilities.

Physical risks (medium term): increases in the length and severity of droughts may further disrupt access to critical utilities, particularly water. Climate change also negatively impacts human health, increasing demand for care and potentially straining resources.

Transition risks (short term): high emissions taxes (particularly associated with the use of diesel generators to mitigate electricity outages), fines due to non-compliance with regulatory changes, limited access to sustainability-linked finance for organisations that do not manage climate-related risks, the introduction of minimum energy-efficiency standards, and higher prices for goods and services.

Reputational risks (medium term): failure to sufficiently curb GHG emissions, minimise environmental impacts and communicate progress may negatively impact our reputation, investor confidence and organisational value, particularly as public perceptions and expectations change and new emissions reporting requirements are introduced.

Mitigation

- Environmental sustainability strategy to achieve 100% renewable energy and significantly reduce emissions and water consumption.
- Water security and risk mitigation strategy.
- Data and analytics capabilities to increase resource efficiencies and support cost-saving measures.
- Demonstrate our commitment to environmental sustainability through our strategy and performance.
- Initiatives to secure water and electricity supplies.
- Major disruption, incident and blackout plans as well as well-entrenched relationships with preferred diesel and water suppliers[1].
- Agreements for private firefighting services, fire water designs incorporated in new hospital builds and major expansions, and fire infrastructure upgrade projects based on relevant fire risk analyses for remaining hospitals.

Opportunities

- Accelerating renewable energy adoption, storage, deployment and digital optimisation will strengthen operational resilience and cost stability.

More information

Critical issues: Climate change: **page 30**.

Critical issues: Municipal infrastructure failures: **page 31**.

FY 2025 performance

Minimising our environmental impact: **page 28**.

Link to the Group's top 11 business risks
BR3: climate change and water security
BR10: fire safety
BR11: availability of electricity supply

Board oversight: Risk Committee and Social and Ethics Committee.
Operational oversight: Executive Committee, Finance and Investment Committee, Procurement Committee and Environmental Sustainability Committee.

Read further about our approach to environmental management: **page 93**.

1. Netcare's major incident plan includes the development of specific actions to mitigate the unique risks and challenges presented by most major incidents.

Our ESG risks and opportunities continued

People

Context and impact

Competition for scarce skills continues to grow, driving up salary demands, retention costs and making it challenging to attract highly skilled professionals. Netcare relies on specialised healthcare skills to consistently provide optimal care (nurses) and competes with other sectors (local and international) for the digital and data analytics skills critical to driving our strategy. The nursing skills shortage in SA may place existing employees under pressure, constraining our ability to provide the best and safest care. Stress and its associated impacts on mental and physical health continue to impact the productivity and wellbeing of workforces worldwide, particularly in the healthcare sector.

Mitigation

- A compelling employee value proposition.
- Digitally enabled HR solutions.
- Our employee wellbeing initiatives.
- Succession planning and management and leadership development initiatives.
- Reward contributions to strategic, operating and financial performance.
- Our employee retention strategy for specialised, skilled and talented employees.
- Our five-year nursing plan to increase the number of nurses we can train.
- Explore alternative nursing models.
- Collaboration to find solutions to the structural challenges faced by SA's healthcare system.

Opportunities

- When complete, MyNetCareer will provide employees and divisions with a seamless, digital HR experience. Significant efficiency enhancements and cost savings are anticipated.

More information

Critical issues: The nursing skills shortage: *page 51*.

Driving employee engagement: *page 58*.

FY 2025 performance

Our people: *page 56*.

Link to the Group's top 11 business risks

BR2: availability and quality of skills
BR9: technology and data imperatives

Board oversight: Nomination Committee, Risk Committee and Social and Ethics Committee.
Operational oversight: Executive Committee and Operational Transformation Committee.

Our ESG risks and opportunities continued

Supply chain diversity

Context and impact

Supply chain challenges relating to medicine and medical device procurement have the potential to impact the quality of care we can provide.

The challenging operating environment in SA may hamper SMME growth and the country's economic development prospects.

Negative environmental or social impacts arising from our supply chain may result in reputational damage, causing financial loss.

Mitigation

- Driving localisation through our procurement strategy and targeted ESD initiatives that focus on supporting black, young and women entrepreneurs.
- Ensuring ethics in our supply chain, including monitoring environmental and social impacts.

FY 2025 performance

Socioeconomic inclusion in our sector: page 80.

Link to the Group's top 11 business risks

BR8: socioeconomic challenges and civil unrest

Board oversight: Risk Committee and Social and Ethics Committee.
Operational oversight: Procurement Committee and Operational Transformation Committee.

Socioeconomic

Context and impact

South Africans continue to contend with economic stagnation, high unemployment, poverty, inequality and a lack of basic service delivery, particularly for water. This, along with municipal elections in 2026 may increase the likelihood of social unrest, potentially negatively impacting workforce and patient safety, disrupting business operations and damaging property and assets.

SA's macroeconomic realities impact healthcare affordability constraining access to healthcare, heightening health inequity and suppressing private healthcare demand.

Mitigation

- Major incident response plan, which is based on global best practices.
- Ensure strategic suppliers (eg medication, security, cleaning, catering) have robust business continuity plans.
- Collaborate with public and private stakeholders to find solutions to the systemic and structural inequalities in SA, including universal healthcare.
- Transformation strategy that supports inclusive societal, economic and labour markets, including our ESD programme and socioeconomic development initiatives.

Opportunities

- NetcarePlus' suite of innovative healthcare products and funding solutions provides access to our facilities for patients who are not adequately covered by insurance or medical aid (including network patients who must make co-payments to be treated at Netcare). Beyond NetcarePlus, our ongoing innovation and efficiency initiatives will also allow for greater affordability and wider access to our services.

More information

Critical issues: The South African socioeconomic environment: page 52.

Critical issues: Sustainable universal healthcare: page 53.

FY 2025 performance

Our social transformation imperatives: page 73.

Link to the Group's top 11 business risks

BR4: economic environment and demand for private healthcare
BR8: socioeconomic challenges and civil unrest

Board oversight: Risk Committee and Social and Ethics Committee.
Operational oversight: Executive Committee and Operational Transformation Committee.

Our ESG risks and opportunities *continued*

Transformation, diversity, equity, inclusion and belonging

Context and impact

Our B-BBEE status and ability to meet transformation targets may impact our competitiveness, sustainability, relevance and reputation while our organisational culture may impact our ability to attract and retain a diverse workforce.

Mitigation

- Transformation strategy rooted in a social justice framework.
- Key initiatives and development programmes that aim to align our workforce with national demographics and cultivate a sense of belonging for all employees.
- Continued engagement with key regulators on meeting targets.

Opportunities

- A truly diverse and transformed workplace will strengthen our EVP, improving our ability to attract and retain scarce skills and will also result in reputational benefits for the Group.

FY 2025 performance

*A diverse and inclusive workplace: **page 76***.

Link to the Group's top 11 business risks

BR2: availability and quality of skills

BR8: socioeconomic challenges and civil unrest

Board oversight: Risk Committee and Social and Ethics Committee.
Operational oversight: Executive Committee, Operational Transformation Committee and Procurement Committee.

*Read further about our approach to managing social impacts: **page 93***.

Regulatory and compliance

Context and impact

The regulatory environment remains in flux and uncertain, with potential impacts on the business models, operations and processes of private healthcare providers. Non-compliance with sector-related environmental, labour or health and safety regulations may undermine our reputation, result in penalties and fines and negatively impact productivity. Sector regulations and healthcare policy uncertainty may also limit organisational growth and impact the sector-wide outlook.

Challenging economic environments and associated economic hardships can increase the likelihood of fraud, corruption and misconduct by employees and stakeholders in our supply chain.

Mitigation

- Provide constructive input on health policy formulation and the realisation of sustainable universal healthcare through business forum and sector association memberships.
- Collaborate to find solutions to the structural challenges faced by SA's healthcare system.
- Maintain governance structures capable of ensuring ethical business conduct and detecting unethical conduct.

Opportunities

- Securing mutually beneficial partnerships and the opportunity to provide input on key regulations, particularly those relating to health equity, will enable us to truly fulfil our mandate to be a force for good. It also benefits the Group by enabling us to participate in the restructuring of SA's healthcare system, enabling growth in the form of public private partnerships etc.

More information

*Critical issues: Regulations impacting the South African healthcare sector: **page 89***.

*Critical issues: Sustainable universal healthcare: **page 53***.

*Critical issues: Corruption in SA: **page 90***.

FY 2025 performance

*Upholding our values and principles: **page 87***.

Link to the Group's top 11 business risks

BR7: sector regulations

Board oversight: Risk Committee and Social and Ethics Committee.
Operational oversight: Compliance Committee.

Our ESG risks and opportunities continued

Cybercrime, cybersecurity and protecting personal information

Context and impact

Connectivity and digital transformation provide numerous benefits but also increase cyberthreats, and the volume of personal data we process increases our legal and regulatory exposure. Reliance on third-party service providers to support digital transformation and data enablement may also increase data protection and privacy risks.

Breaches of information systems and/or loss of personal or corporate information may result in business disruption, litigation, penalties and/or fines for non-compliance, as well as reputational damage and financial loss. Increases in the complexity, frequency and severity of cyberattacks require greater investment in sophisticated defence systems, increasing the cost of doing business.

Mitigation

- Our risk-based approach to cybersecurity.
- Our privacy strategy and privacy compliance framework.
- Collaboration with external specialists.
- Cybersecurity performance benchmarking.
- Cybersecurity and protection of personal information awareness training for employees and the Board.
- Rigorous monitoring and assessment of third-party compliance with our privacy framework and control measures.
- Our approach to AI governance.

Opportunities

- Our rich statistical data can be leveraged to identify inefficiencies and develop AI driven solutions that support clinical decision-making, improve patient safety and streamline administrative tasks. AI can also be used to enhance data protection and cybersecurity controls.

More information

Critical issues: Cybersecurity and data privacy: page 91.

FY 2025 performance

Protecting data and stakeholder privacy: page 103.

Link to the Group's top 11 business risks

BR5: cybercrime and cybersecurity
BR9: technology and data imperatives

Board oversight: Audit Committee, Risk Committee and Social and Ethics Committee.

Operational oversight: Executive Committee, IT Management Committee, POPIA Steering Committee and various privacy and AI governance and management structures.

*Read further about our approach to managing governance impacts: **page 93**.*

Our business strategy and ESG

In 2018, Netcare embarked on a transformative ten-year strategy designed to fundamentally reshape the way we deliver health and care, strengthening our ability to respond to evolving patient demands and funder requirements in a dynamic healthcare sector.

Netcare's strategy places the Group at the leading edge of healthcare innovation, supporting sustainable earnings growth, delivering meaningful returns for investors and creating enduring value for all our stakeholders and society. It has strengthened our digital leadership over our competitors and compounded the advantages we gain – what we refer to as our digital dividend.

Our ESG-related performance and initiatives support the core ESG-related outcome of our strategy, maintaining our social licence to operate. We do this by meaningfully contributing to the national healthcare system, maintaining our B-BBEE rating, delivering our environmental sustainability strategy and maintaining a high level of stakeholder engagement and communication.

Five of our seven strategic underpins directly support our ESG ambitions – these are marked with the ESG icon:

The two strategic underpins that do not directly support ESG are monitored for potential negative impacts.

Embedding personalised engagement and retention of care over a person's lifetime

Netcare's strategy is to transform the way we deliver health and care by...

... leveraging off our unique ecosystem of assets and services...

... and utilising digitisation, data and AI to benefit all stakeholders.

Empowering people to become equal and active participants in their own healthcare and to take **co-responsibility** for their health and wellness

+

Person centred health and care
Digitally enabled, data and AI driven

=

Person centred health and care

Digitally enabled

Data and AI driven

Creating sustainable competitive advantage for the Group

Strategic underpins

Consistency of care
Consistently excellent services and the best and safest person centred care.

Disruptive innovation
Medical technologies, digitisation, data and AI solutions that benefit our patients and business.

Transformation of society
Investing in our people and communities.

Organic growth
Strategic engagements with doctors and private medical funders, maintaining the quality of our facilities and new products and services to promote sustainable and inclusive access to healthcare.

Integration
Synergistic partnerships between all divisions and functions within the Netcare ecosystem.

Investment
Creating economic value and optimising capacity utilisation.

Environmental sustainability
Responsible and efficient management of natural resources.

Our business strategy and ESG continued

Phases of the Netcare strategy

	Timeline	Focus	Measure
01 Digitally enabled	4 to 6 years to April 2024	Operational efficiency.	• Margins. • Returns.
	Complete		
02 Data and AI driven	2 to 3 years from FY 2024	• Clinical cost efficiency. • Funder contracting. • Clinical product innovation.	• Patient safety and clinical outcomes. • Clinical research contribution. • Doctor attraction and retention.
	In progress		
03 Person centred health and care	3 to 4 years from FY 2024	Person centred engagement and retention throughout a person's lifetime.	• Digital engagement and adoption. • Long-term health outcomes. • Patient embedded value[1].
	In progress		

Adopting a human-AI collaborative approach as we embrace all AI has to offer.
In a fully digitised environment, we retain our human touch
and adopt automation with a human heart.

Widening the digital divide and expanding our digital dividend
across four distinct categories

Ongoing **operational efficiencies.**	Improving consistency and quality of **patient care outcomes.**	Increasing person centred **doctor centricity.**	Increasing person centred **funder centricity.**

1. *Embedded value indicates the extent to which patients are staying within our ecosystem.*
2. **IoT:** *Internet of Things.*
3. **SBTi:** *Science Based Targets initiative.*
4. *Our digital occupational health app for Netcare employee clinical records.*
5. **SOC:** *security operations centre.*

Phases of the Netcare Strategy

Netcare's strategy comprises three phases. The first phase, completed in FY 2024, focused on fully digitising the Group's ecosystem and implementing our electronic medical record system, establishing a robust foundation for future innovation. Phase 2 is now well underway and leverages our extensive data assets and advanced Big Data analytics platform to drive improvements in clinical efficiency, patient safety, care outcomes and cost effectiveness. Concurrently, Phase 3 focuses on personalising the healthcare experience and empowering our patients to actively participate in their health and care journey.

Our strategy has had and will continue to have environmental, social and governance impacts

Environment:
• Digitisation plays a key role in our ability to more accurately measure our impacts, set targets and drive efficiencies that reduce costs and our environmental footprint.
• Maturing AI capabilities impact digital and electrical loads at facilities.
• AI driven predictive energy management and IOT[2]-enabled building management will allow for real-time energy management.
• Utilising AI driven technology will increase the accuracy of Scope 3 emissions data and SBTi[3] calculations.
• Digitising patient meal ordering systems will reduce food waste.
• Machine learning and IoT capabilities will enhance our understanding of water consumption, temperature trends and potential wastage.

Social:
• Key digital platforms like Care@Work[4] support our efforts to enhance employee wellbeing.
• Our digitised source-to-contract platform drives greater procurement efficiencies and enhances managerial oversight.
• Digitised procure-to-pay platforms support e-procurement, invoice and payment and finance management and enable decentralised ordering, inventory control and centralised payment.
• HR digitisation will unlock critical workforce data, improve planning and human capital decision-making and enhance employee experience.
• Our world class Big Data analytics platform supports our FY 2026 comprehensive integrated health and wellness strategy and, in future, will enable robust predictive analytics capabilities and more precisely targeted employee wellness interventions.

Governance:
• Increasing digitisation poses risks for cybersecurity and data privacy that must be carefully managed.
• Effective and responsible AI deployment requires careful planning, robust oversight and transparency with all stakeholders, particularly our patients and employees.
• AI is increasingly used in our SOC[5] to speed up incident detection and response, enhancing cybersecurity.
• As of early FY 2026 we have automated elements of privacy reporting.

Our business strategy and ESG continued

How our approach to ESG is reflected in our performance targets

Our ESG performance is linked to remuneration via the annual Group BSC, with targets linked to our strategic underpins. The ESG-related elements of the FY 2025 Group BSC and our related performance against key targets are detailed below.

ESG-related elements of the FY 2025 Group BSC

Social

Measure	2025 target	Actual	Achieved
Talent and succession: strategic management and leadership roles with identified talent ready to transition within a period of between 12 and 24 months (%)	70.0	**83.1**	✓
Labour turnover (%)	11.8	**7.8**	✓
Transformation: improve racial representation at senior management level (%)	50.0	**50.0**	✓

Strategic underpin:

Transformation of society

Environment

Measure	2025 target	Actual	Achieved
Energy efficiency: additional year-on-year tCO$_2$e avoided from new projects implemented	4 700	**6 840**	✓
Renewable energy: additional year-on-year tCO$_2$e avoided from new projects implemented	1 300	**1 573**	✓
Water savings: additional year-on-year reduction in water consumed through water recycling and consumption reduction initiatives	17 000	**25 256**	✓
General waste: reduction in waste to landfill as a % of Hospital Division waste	75.0	**80.0**	✓
Healthcare risk waste: reduction in waste to landfill as a % of Hospital Division waste	20.0	**31.4**	✓

Strategic underpin:

Environmental sustainability

Reduced utility consumption also reduces operating costs and supports EBITDA and other financial indicators, including adjusted HEPS, ROIC and cash conversion.

Strategic underpin:

Organic growth

KEY: ✓ Target met or exceeded

Consistency of care

Through its focus on safety, health, environment and quality (including OHS), employee wellbeing and management of the Hospital Division-specific environmental targets, the consistency of care team also play a central role in supporting and enhancing our ESG-related performance.

Disruptive innovation

Digitisation, data and AI solutions support various elements of our ESG-related performance, enhancing resource and operational efficiencies and underpinning our nursing and other employee value propositions.

Read about our performance against the FY 2025 Group BSC in the shareholder report online: Remuneration report.

Read about our leadership in delivering person centred health and care in the quality report online.

Our business strategy and ESG continued

Looking to 2030

The digital, data and AI driven and person centred phases of Netcare's medium-term strategy have unlocked new opportunities, many of which were unforeseen at the outset of our transformation journey. Looking ahead to 2030, our strategy focuses on expanding and developing new business streams, improving efficiency and positioning Netcare as the first choice for patients, doctors and funders. As AI will play a central role in enabling these initiatives, our focus will be on building our AI capabilities to seize opportunities in the most efficient and responsible manner. Our approach supports close collaboration between people and technology, ensuring that systems enhance, rather than replace, human skills.

1
Drive growth and market share (eg doctor value proposition, expand services and service lines, provide medical research services, explore new business opportunities).

2
Improve margins and returns (eg operational efficiencies, robotic process automation and AI, changing our funder and patient engagement strategies).

3
Improve clinical cost efficiency (eg enhancing our contracting strategy, clinical cost efficiency initiatives, care solutions beyond discharge).

4
Gain sustainable competitive advantage (eg digital, data and AI as true differentiators, be the lowest cost provider of the best high-quality care, patient attraction and retention).

2030 environmental strategy

Eliminate Scope 2 emissions

Zero waste to landfill

Reduce water intensity by an additional 5%*

On track and potentially ahead of schedule.

*   Having achieved and surpassed our water reduction target, we will provide updated targets in future reports.

2030 people priorities

People
A collaborative, knowledge-exchanging multi-generational workforce of mostly tech-natives.

Technology
An agile, collaborative and smart workforce of humans and AI.

Culture
A human centric, innovative culture that delivers world class experience underpinned by authentic, compassionate leadership.

Skill
A digitally fluent and data literate healthcare workforce with free access to world class democratised learning to unleash innovation.

A digitally, AI-powered people centric HR delivery model

For a detailed account of all facets of the Netcare strategy and our progress, see the **integrated report online.**

How we address the UN SDGs

Our strategic priorities and ESG-related initiatives make a material and impactful contribution to key global challenges identified by the UN SDGs.

Minimising our environmental impact

Targets
6.3
6.4

Targets
7.2
7.3

Target
12.5

Target
13.1

Our environmental sustainability programme has been in place since 2013 and is recognised for its progressive and ambitious approach to reducing our negative impact on the environment while improving operational efficiencies. Our environmental sustainability projects target reductions in GHG emissions, water use and waste sent to landfill through:

- Purchasing and generating renewable energy.
- Engaging with suppliers on their environmental impacts, particularly emissions.
- Water and energy efficiency initiatives.
- Treating, recycling and safely re-using water.
- Reducing the waste we generate by selecting reusable devices and products where practicable.
- Recycling and repurposing the waste we generate.

These initiatives in combination with shorter-term risk mitigation strategies strengthen our resilience and ability to adapt to climate-related hazards and natural disasters.

Read about our environmental performance: page 28.

FY 2025 highlights

Constructed an **anaerobic digestion** plant at Netcare Alberton Hospital. The plant converts food waste to energy, **a first for hospitals in Africa**. Organic fertiliser produced as a byproduct benefits the hospital and local farmers. The plant began generating electricity in October 2025.

SBTI[1] targets submitted and **accepted**.

Recycled more than half of all waste generated.

Significantly reduced our **water consumption** at Group and Hospital Division levels.

Six additional **electric vehicle charging stations** installed – **eight** hospitals now provide access to charging infrastructure for patients and employees.

1. **SBTi:** Science Based Targets initiative.

How we address the UN SDGs continued

Caring for our people, patients and country

Targets
3.1 | 3.2
3.3 | 3.4
3.8

The care we provide our patients improves health outcomes in the communities we serve while our holistic approach to employee wellbeing supports employees' psychosocial, physical and financial wellbeing. Our socioeconomic development and CSI initiatives provide free access to healthcare services for those otherwise unable to afford them. Our affordable healthcare initiatives (eg NetcarePlus) increase access to high-quality health and care, contributing towards health equity.

Targets
4.3 | 4.4
4.5

Netcare Education, in tandem with our learnership, scholarship and professional development programmes, offers affordable access to quality technical, vocational and tertiary education for our employees, young South Africans and for persons with disabilities. In line with national objectives, our learning interventions prioritise black people and women. We also provide funding for medical doctors to further develop their capabilities.

Target
5.5

We are committed to advancing gender equality in leadership and decision-making roles, and to actively monitoring and addressing any gender pay disparities in our workforce.

Target
8.2 | 8.3
8.4 | 8.5
8.6 | 8.8

Our digital transformation initiatives and use of AI is designed to enable our people, enhance efficiencies and productivity, support our efforts to reduce our impact on the environment and improve health outcomes for our patients. We continually strive to decouple economic growth from environmental degradation, with particular focus on resource intensity (**page 28**) We focus on aligning our workforce and leadership with the national economically active population and support the development of historically marginalised groups, including black people, black women, young people and persons with disabilities. Our ESD programme for local businesses (including SMMEs) supports their growth, sustainability and their ability to create jobs in SA. Our internships and learnerships (particularly our Sinako and youth development and employment programmes) provide workplace experience and skills development opportunities for young South Africans and persons with disabilities to enhance their employability while also providing opportunities to work at Netcare. We are committed to protecting labour rights and providing safe and secure working environments for all our employees, as well as those working for third-party service providers.

Target
9.3

Our ESD programme provides access to financial and non-financial support for small, local businesses, integrating these into our supply chain and offering opportunities (and support) for them to provide their services and products to other large organisations.

FY 2025 highlights

Developed and began rolling out the **FY 2026 comprehensive integrated health and wellness strategy.**

Netcare Education is **the first private institution** to be granted accreditation for the Postgraduate Diploma in Adult Critical Care Nursing.

Launched MyNetCareer, which will provide our employees and businesses with access to a **seamless, digital HR experience** that includes intelligent analytics capabilities to drive data-informed decisions.

Conducted **annual income differential (gender)** and **vertical income analyses** (comparing the total remuneration of the Group's top 5% of earners with that of the bottom 5%).

The majority of our CSI is directed towards **bursaries for doctors and healthcare accessibility initiatives**.

We remain fully committed to **achieving universal health coverage** and stand ready to collaborate on designing and delivering sound and workable solutions that serve the health needs of all South Africans.

Onboarded **four new suppliers** onto our structured ESD beneficiary support (ESD incubation) programme.

Read about our social performance: **page 49**.

Read about how we provide our patients with the best and safest care and how our digital strategy improves patient outcomes in our **quality report online**.

Read about how our digital strategy enables productivity in our **integrated report online**.

How we address the UN SDGs *continued*

Upholding our values and principles

Targets
16.5
16.6
16.7
16.10

We have structures, policies and reporting initiatives in place to support effective, accountable and transparent governance of our business operations; tackle and prevent fraud, corruption and bribery in our operations and across our supply chain; and to ensure that our key stakeholders and their legitimate concerns are represented in our decision-making processes, material matters and impacts, risks and opportunities. Our integrated, shareholder and ESG reports publicly disclose key elements of our performance, strategy, governance, remuneration, policies and impacts. We are committed to protecting the personal information of our patients and have appropriate structures, policies and processes in place to do so effectively (we report significant data breaches, should these occur).

Read about our governance performance: page 87.

Read about our governance structures and approach to stakeholder engagement in our shareholder report online: Governance report.

Detailed descriptions of the UN SDG targets: page 109.

FY 2025 highlights

Expanded our AI governance structures in line with our commitment to **ethical AI usage and a human-AI collaborative approach**.

The Social and Ethics Committee **approved amendments** to its terms of reference in preparation for the implementation of the Companies Amendment Act.

Rolled out various **fraud awareness initiatives**.

Engaged with suppliers on measuring, managing and reducing their emissions, with the medium to longer-term aim of **reducing the Group's carbon footprint and environmental impact**.

Our ESG ratings and accolades

CDP

Global rating

Assesses climate change disclosure.

Rating date: December 2024

Climate change
Scored C
On par with the global (C) and Africa (C) and higher than the healthcare (D) average scores.

2023: B
2022: B

Water
Scored B
Higher than the global (C), Africa (B-) and healthcare (D) average scores.

2023: B-
2022: B

We are targeting an A rating across both measures by 2026.

Note: our rating for 2024 declined due to an extensive methodology update to CDP climate change scoring.

S&P Global Corporate Sustainability Assessment

Global rating

Measures performance and management of material ESG risks, opportunities and impacts.

Rating date: August 2025

Included in the Dow Jones Emerging Markets Index for the eleventh consecutive year.

Scored 91%
2024: 94%
2023: 93%

	2025	2024
Governance and economics	**47**	**56**
Health sector average	32	27
Environmental	**73**	**77**
Health sector average	26	20
Social	**45**	**43**
Health sector average	28	22

Note: the decline in Netcare's total score is due to changes in S&P's assessment methodology following the adoption of the IFRS Sustainability Disclosure Standards.

MSCI ESG Research Inc.

Global rating

Evaluates the management of financially material ESG risks and opportunities.

Rating date: October 2025

Achieved
'AAA' rating
The highest awarded on a seven-point scale

2024: AA
2023: AA

This is the first time Netcare has achieved 'AAA' rating.

MSCI
ESG RATINGS
AAA

CCC	B	BB	BBB	A	AA	AAA

Note: the improvement in Netcare's rating is due to our corporate governance practices, data security measures and detailed information on our quality performance.

Institutional Shareholder Services

Global rating

Helps investors assess environmental and social risks and the quality of governance.

Rating date: September 2025

Achieved
B rating and a very high transparency level
2024: B-
2023: B-

	2025
Governance	**3**
Environment	**1**
Social	**2**

Note: one indicates lower risk and ten higher risk relative to other corporates and regions.

Our ESG ratings and accolades continued

FTSE4Good Index Series

Global rating

Measures ESG performance.

Rating date: April 2025

3.7 out of 5

	Environmental			Social			Governance		
	3.4	2.7	3.0	3.7	2.7	3.3	5.0	5.0	5.0

■ 2022   ■ 2023   ■ **2025**

	ESG score			Environment			Social			Governance		
	3.7	2.9	2.6	3.0	1.8	1.7	3.3	2.8	2.4	5.0	4.3	3.9

■ Netcare   ■ Sub-sector average: healthcare provider
■ Industry average
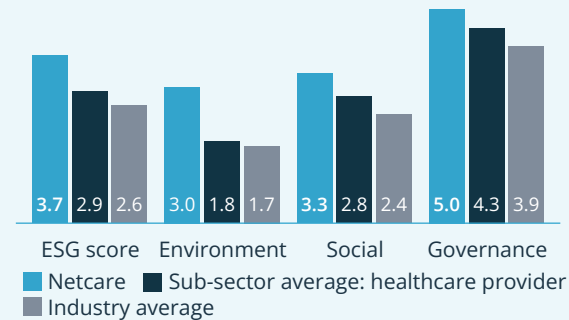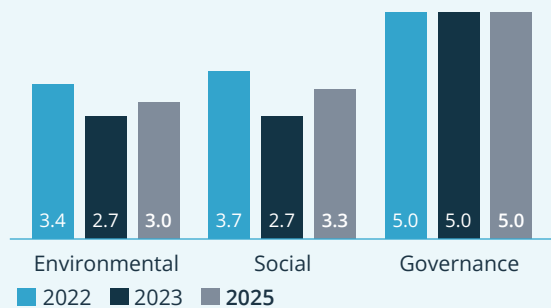
Note: Netcare was a constituent of the FTSE4Good Index Series since the index's launch in 2001 until 2023, when our market capitalisation changed to a small cap and we were no longer eligible for inclusion. In 2025, FTSE expanded its ESG assessment to include small cap companies.

1. *AEE: Association of Energy Engineers.*
2. *Awards are presented to members of Global Green and Healthy Hospitals, an international network that promotes healthcare without harm. The network comprises over 2 000 members in 86 countries and more than 70 000 hospitals and health centres.*

Key environmental accolades

Africa's largest healthcare environmental sustainability programme.

54 local and international awards for environmental sustainability since 2013.

First healthcare organisation in Africa to join the **UN's Race to Zero 2050 Challenge**.

Global winner of the AEE[1] 2025 Corporate Energy Management International award, which spans all sectors.

Achieved **Gold in climate resilience** and **climate leadership** and **Silver in climate mitigation**[2].

Key social accolades

Certified as a Top Employer – the survey is managed and analysed by the Top Employers Institute – the international authority on HR strategies and certification.

NetcarePlus ranked as the top performer in the Medical Insurance category of the prestigious **Ask Afrika Orange Index 2024/2025**. This is testament to NetcarePlus' unwavering commitment to providing accessible and affordable healthcare solutions.

Recognised as a top SA employer for 2025 that students most want to work for. The awards highlight companies that excel in workplace culture, career growth opportunities and employer reputation.

02

MINIMISING OUR ENVIRONMENTAL IMPACT

1. *Our Communication on Progress is available on the* <u>*United Nations Global Compact website*</u>.
2. *Our TFCD index:* <u>*page 107*</u>.
3. *Home |* <u>*CDP (https://www.cdp.net/en)*</u>.
4. **ISO:** *International Organization for Standardization.*
5. *Used for assurance purposes.*
6. *Detailed descriptions of these targets:* <u>*page 109*</u>.
7. **GRI:** *Global Reporting Initiative. A GRI index covering our full reporting suite is available on the* <u>*Netcare investor relations website*</u>.

External commitments, frameworks and standards

- King IV Report on Corporate Governance for South Africa (2016)
- United Nations Global Compact[1]
- United Nations Sustainable Development Goals
- Task Force on Climate-related Financial Disclosures[2]
- Climate and Water CDP[3]
- ISO[4] 14064-3:2019 (Specification with guidance for the verification and validation of greenhouse gas statements)[4]
- ISO 55000 (Asset management – Overview, principles and terminology)
- WBCSD/WRI Greenhouse Gas Protocol Corporate Accounting Standard, 2nd Edition, 2004[5]

UN SDGs[6]

GRI Standards[7]

302-1 and 3 to 4 / 303-1 to 5 / 305-1 to 5 / 306-1 to 5

Key legislation

- Climate Change Act 22 of 2024
- Electricity Regulation Amendment Act 38 of 2024
- National Environmental Management Act 107 of 1998
- South Africa's Just Energy Transition Investment Plan (2023-2027)
- Waste Management Act 59 of 2008

Assurance

Our energy, carbon footprint, waste generation and water usage reported in the ESG and integrated reports have been independently verified by Verify CO_2 and our Scope 3 emissions reporting is assured by The Green House. Our CDP disclosures have been independently assured by Talbot and Talbot, and our compulsory emissions reporting is assured by Verify CO_2. Verification is undertaken at a limited level of assurance.

Scope of reporting

Our environmental data cover all Netcare hospitals, Netcare Akeso mental health facilities, Netcare Medicross medical and dental centres and laundry and hospital vehicle transport. All metrics, unless otherwise specified, exclude National Renal Care. The following are included in the scope for emissions, energy and water consumption, and waste generation:

- Public private partnerships;
- Joint venture operations; and
- Netcare 911 facilities located at Netcare hospitals.

Minimising our environmental impact continued

This section responds to the following stakeholder concerns

Our patients, our people and doctors and allied healthcare professionals
- Ability to provide and/or receive outstanding care without disruption resulting from utility or service outages (water and electricity) during municipal infrastructure failures.
- The Group's approach to addressing climate change and preparing for its impact on our operations.

Private medical funders
- Efficiency and optimisation initiatives.

Regulators and government
- Failing electricity and municipal infrastructures.
- Waste classification and safety.
- Greywater and borehole regulations and approvals.

Suppliers
- Collaboration to reduce environmental impacts in the supply chain, particularly GHG emissions.
- Supplier-focused environmental management strategies.

Investors
- Our environmental sustainability programme and performance and its link to remuneration.
- The impact of future water and electricity supply disruptions on operating costs.

Society
- Minimising negative environmental impacts.

Critical issues

Climate change

Global progress against climate-related targets remains slow and global average temperatures exceeded the 1.5°C threshold for the first time in 2024 with GHG emissions likewise rising to record levels[1,2], indicating that the climate crisis is intensifying and that current progress towards addressing climate change is insufficient.

Climate change and healthcare

With extensive impacts on the physical environment, socioeconomic conditions and healthcare systems, climate change is a fundamental threat to human health. Research indicates that 12 of 20 indicators used to monitor climate change-related health risks reached unprecedented levels in 2023/24, including heatwave exposure, water and food security, sanitation, and weather conditions conducive to the spread of deadly infectious diseases[2].

Despite being a major emitter of pollutants, the healthcare sector is becoming increasingly responsive to the challenge, with healthcare-related GHGs falling 12% between 2021 and 2022 to 4.2% of global emissions – the first decrease since 2016. This is, however, still 20% higher than in 2016. Scope 1 and Scope 2 emissions each contributed to 8.5% of emissions, with the remainder accounted for by Scope 3 emissions[2].

For the sector, responding to the growing climate crisis requires us to respond to the impacts of climate change on our operations, treat those made ill by the climate crisis, and turn our immediate focus to finding ways to reduce our own emissions.

Climate change in SA

The impact of climate change on SA is already becoming evident and will intensify as global temperature rises. A study examining the trends and impacts of climate-induced extreme weather events in SA between 1920 and 2023 revealed an increase in frequency of these events over time, finding that more extreme weather events took place between 2011 and 2020 than any other decade[3]. Drought, heat, flooding and other extreme weather events pose risks to the health of South Africans, while also potentially undermining job, food and water security; raising the cost of living, and driving greater socioeconomic and health inequalities.

1. State of the Global Climate 2024 | World Health Organization (https://library.wmo.int/records/item/69455-state-of-the-global-climate-2024).
2. The 2025 report of the Lancet Countdown on health and climate change | The Lancet (https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(25)01919-1/abstract).
3. Trends and impacts of climate-induced extreme weather events in South Africa (1920–2023) | Science Direct (https://www.sciencedirect.com/science/article/pii/S2211464525000491).
4. **SBTI:** Science Based Targets initiative.
5. Number decreased year on year due to the disposal and closure of Netcare facilities with solar PV systems.
6. **BESS:** battery energy storage system.

Our response

- Our 2030 environmental sustainability strategy.
- Scope 1, Scope 2 and Scope 3 targets aligned with the Just Energy Transition Investment Plan and the SBTi[4]: _page 33_.
- Water and waste targets to reduce our overall environmental impact, impact on scarce resources and emissions: _page 33_.
- 100% renewable energy programme and performance, including grid wheeling, **72**[5] solar PV installations and **22** BESS[6] solutions: _page 37_.
- Energy efficiency initiatives and performance: _page 37_.
- Water recycling and wastewater treatment initiatives: _page 48_.
- Water optimisation and efficiency initiatives: _page 47_.
- Providing the best and safest care to all patients, including those impacted by climate change-related health risks.

Our ESG risks and opportunities: _page 13_.

Read about how we care for our patients in the _integrated report online_.

A detailed account of how we ensure the best and safest care is available in the _quality report online_.

Critical issues continued

Municipal infrastructure failures

We depend on stable electricity and water supplies to provide care to patients 24 hours a day, 365 days a year. Breakdowns, load shedding and water cuts disrupt normal business operations and can result in sub-optimal quality patient care and increase operating costs. Increasing electricity prices also place pressure on the Group's margins.

Electricity

Eskom's generation fleet has demonstrated increased stability and improved reliability over recent months, maintaining an EAF[1] above 60% since June 2025 and reaching a high of 71% in November, with Kusile Unit 6 entering commercial operation. However, the public utility still faces significant challenges (eg debt, mismanagement, neglect and the degradation of key infrastructure), outages remain commonplace and overall electricity supply remains below pre-pandemic levels.

Electricity prices continue to increase in excess of inflation – 971% between 2007 and 2025[2]. From 2025 to 2027, the cost of electricity is expected to rise by around 24%. An absence of transparency[3] around costs and rampant cost escalations are hastening procurement of renewable and reliable sources of energy for industry and households, reducing Eskom's customer base. However, the lack of key infrastructure such as power lines to connect and transmit solar and wind energy generated to the grid remains a challenge, despite numerous renewable energy projects underway.

The South African Wholesale Electricity Market Code that aims to provide guidelines for buying and selling electricity between energy producers, retailers and traders is designed to support short-term delivery and ensure long-term sustainability of the electricity supply – initial operations are anticipated to come into effect in 2026 with full implementation targeted for May 2031. How this legislation will impact the electricity supply in SA and Netcare's operations and opportunities is yet to be determined as the initiative remains in its early stages.

While diesel generators are needed during power outages, they are also detrimental to the environment, increase our Scope 1 emissions and cost around two to three times more than electricity sourced from the national grid.

Water

SA is one of the 30 driest countries in the world and faces a deepening water crisis driven by erratic rainfall, over-allocated water resources (98% already allocated) and consumption far above the global average. Without major intervention, a 17% water shortfall is projected by 2030[4]. The water infrastructure in SA is also aging and receives insufficient maintenance and investment, resulting in frequent outages and deteriorating water quality. As of 2023, 29% of water supply systems are in critical condition and 46% of systems demonstrate poor water quality compliance. Around 64% of wastewater treatment works are at high or critical risk of discharging inadequately treated water into the environment and approximately 47% of water is lost through leaks, faulty meters or poor billing[5].

Water security is expected to become an escalating risk over the coming decade, with the Department of Water and Sanitation estimating that over R90 billion a year over the next decade is needed to repair and upgrade existing infrastructure[6]. Rising water costs, especially when relying on more expensive non-municipal suppliers, have the potential to negatively impact margins and operational resilience.

The short-term impacts on our operations have been mitigated but active intervention and monitoring of water supply and quality to ensure patient safety increases operating costs.

Our response

- Our climate-change related initiatives noted on the previous page.

Electricity
- Emergency generation and backup capacity, enabled by uninterrupted power supplies and a fleet of **199** backup diesel generators that support all facilities across the Group.
- Load capacity analysis to ensure generator efficiency.
- **27** hospitals currently benefit from full or partial load shedding exemption.
- Utilising biodiesel for generators at certain facilities: _page 39_.

Water
- Water security and risk mitigation strategy: _page 47_.
- Most acute hospitals have at least 24 hours backup water supply (some have 48 hours), with water conservation modes able to prolong supplies.
- A desalination plant at Netcare Christiaan Barnard Memorial Hospital equipped to supply additional water to all Western Cape facilities.
- **Two** water reservoirs in Gauteng (Netcare Milpark Hospital and Netcare Garden City Hospital) that can supply around one million litres of water.

Our ESG risks and opportunities: _page 13_.

1. **EAF:** energy availability factor. Monthly Eskom Generation capacity breakdown - Eskom Data Portal | Eskom (https://www.eskom.co.za/dataportal/outage-performance/monthly-eskom-generation-capacity-breakdown/).
2. Brace for more massive electricity price hikes in South Africa | My Broadband 2025 (https://mybroadband.co.za/news/energy/589348-brace-for-more-massive-electricity-price-hikes-in-south-africa.html).
3. Energy regulator wants key electricity pricing details kept secret in South Africa | My Broadband 2025 (https://mybroadband.co.za/news/energy/616099-energy-regulator-wants-key-electricity-pricing-details-kept-secret-in-south-africa.html).
4. South Africa's water crisis and the reform agenda | Polity 2025 (https://www.polity.org.za/article/south-africas-water-crisis-and-the-reform-agenda-2025-04-08#:~:text=Without%20major%20interventions%2C%20the%20country%20faces%20a%20projected,%E2%80%94%20due%20to%20leaks%2C%20theft%2C%20and%20inadequate%20metering).
5. Blue, Green and No Drop reports assess national water services | Trialogue Knowledge Hub | Resources for CSI & sustainability in Africa (https://trialogueknowledgehub.co.za/blue-green-and-no-drop-reports-assess-national-water-services/).
6. SAICE highlights repercussions of inaction on South Africa's water infrastructure crisis | SAICE (https://saice.org.za/press-releases/saice-highlights-repercussions-of-inaction-on-south-africas-water-infrastructure-crisis/).

Environmental performance overview

Energy

1% decrease[1]

in year-on-year electricity usage per bed per year to **18 787 kWh**, a **4% increase** against the 2030 strategy baseline.

FY 2024: 18 968 kWh

FY 2023 baseline: 18 128 kWh

6 840

additional year-on-year tCO_2e avoided from new projects implemented.

FY 2025 BSC target: 4 700 tCO_2e

FY 2024: 2 300 tCO_2e

Renewable energy

16.4 GWh

renewable energy generated.

FY 2024: 15.1 GWh

1 573

additional year-on-year tCO_2e avoided from new projects implemented.

FY 2025 BSC target: 1 300 tCO_2e

FY 2024: 1 847 tCO_2e

Emissions[2]

5% decrease

in year-on-year Scope 1 and Scope 2 emissions to **209 494 tCO_2e**, a **10% decrease** against the 2030 strategy baseline and a **15% decrease** against the SBTi baseline.

FY 2024: 221 000 tCO_2e

FY 2023 baseline: 233 603 tCO_2e

FY 2019 SBTi baseline: 245 218 tCO_2e

3% decrease

in Scope 2 emissions to **174 208 tCO_2e**, a **7% decrease** against the 2030 strategy baseline.

FY 2024: 180 280 tCO_2e

FY 2023 baseline: 188 129 tCO_2e

2% decrease

in Scope 3 emissions to **557 978 tCO_2e**, a marginal increase against the 2030 strategy baseline and a **15% decrease** against the SBTi baseline.

FY 2024: 571 647 tCO_2e[3]

FY 2023 baseline: 551 722 tCO_2e[3]

SBTi FY 2019 baseline: 657 532 tCO_2e

Waste[4]

17% decrease

in total volume of waste sent to landfill to **4 554 tonnes**, a **40% decrease** against the 2030 strategy baseline.

FY 2024: 5 498 tonnes

FY 2023 baseline: 7 532 tonnes

13% decrease

in general waste sent to landfill to **1 349 tonnes**.

FY 2024: 1 555 tonnes

34% increase

in waste recycled to **5 099 tonnes**.

FY 2024: 3 814 tonnes

Water

14% decrease

in year-on-year total water consumption per bed per day to **359 litres**, a **16% decrease** against the 2030 strategy baseline.

FY 2024: 416 litres

FY 2023 baseline: 426 litres

14% decrease[5]

in municipal water consumed to **1 422 megalitres**.

FY 2024: 1 647 megalitres

25 256 kl

additional year-on-year reduction in water consumed through water recycling and consumption reduction initiatives.

FY 2025 BSC target: 17 000 kl

FY 2024: not reported/comparable[6]

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1. Metric updated to include electricity purchased and generator usage to account for changes in the degree and frequency of generator usage during load shedding. Numbers have been updated to account for this change in methodology (from FY 2023: 17 325; FY 2024: 18 679).
2. Emissions were calculated using the Department of Forestry, Fisheries and the Environment (**DFFE**) emissions factor published in 2023 of 0.906 kg CO_2 per kWh – these are more accurate than those supplied by Eskom.
3. Restated to account for updates to Scope 3.3 (upstream emissions) emissions factors (from: FY 2023: 519 107; FY 2024: 545 612).
4. FY 2023 and FY 2024 numbers for waste landfilled (from FY 2023:7 989 tonnes; FY 2024: 6 161 tonnes), waste recycled or repurposed (from FY 2023: 1 780 tonnes; FY 2024: 3 150 tonnes) updated to reflect a change in methodology. We now report on HCRW recycled/repurposed separately to HCRW treated and landfilled, as is seen in the graph on **page 41**, resulting in changes to a wide range of metrics reported.
5. For all facilities with water meters installed.
6. Full water recycling efforts were not tracked this in FY 2024. Tracking was resumed in FY 2025.

Our environmental sustainability programme

Our environmental sustainability programme continues to deliver tangible financial savings, reduce our environmental impacts, and plays a vital role in reducing our exposure to an unstable national electricity grid, as well as mitigating water security risks.

The programme focuses on enhancing efficiencies across our facilities, risk mitigation, addressing regulatory changes and resource scarcity, and on minimising the Group's negative environmental impacts. All of these will play a key role in ensuring our long-term sustainability.

We have closed out phase 1 of our sustainability programme (the 2023 environmental sustainability strategy[1]) and phase 2, the 2030 environmental sustainability strategy, is now well underway. The strategy prioritises operational efficiency and requires modest capital investment while progressing our goal of net-zero emissions by 2050. It is aligned with and enabled by the Just Energy Transition Investment Plan and supports the 1.5°C pathway specified by the COP21[2] Paris Agreement. Emissions reduction targets that support our 2030 strategy and 2050 net-zero emissions objectives have also been accepted and approved by the SBTi[3]. We remain committed to improving our CDP reporting on climate to an A rating, however, recent adjustments to the way ratings are assigned may cause delays in achieving this objective.

Targets for achieving environmental objectives are included on the Group FY 2025 and FY 2026 BSC.

1. *We exceeded our targets for this strategy and achieved cumulative operational savings and cost avoidance benefits over R1.5 billion, yielding an IRR of 40%.*
2. ***COP21:*** *UN Climate Change Conference, Paris, 2015.*
3. ***SBTi:*** *Science Based Targets initiative.*

Our 2030 targets support our long-term aims:

Target against FY 2023 baseline

Emissions

- Achieve **zero** Scope 2 emissions.
- Reduce Scope 1 and Scope 2 emissions by a combined **84%**.
- **Significantly reduce** Scope 3 emissions against baseline.

> SBTi commitments support our emissions targets (FY 2019 baseline):
> - Reduce Scope 1 and Scope 2 emissions by **63% by 2034** and **90% by 2050** to achieve net zero.
> - Reduce Scope 3 emissions by **27.5% (46.2% of Scope 3.1) by 2030** and by **90% by 2050** to achieve net zero.

Energy

- **100%** renewable energy.
- Reduce electricity intensity by **1%** against baseline (measured in kWh per bed per year).

Waste

- **Zero** waste to landfill.

Water

- **Significantly reduce** impact on the limited freshwater sources in SA.
- Reduce water intensity by **5%** against baseline (measured in litres per bed per day).

Becoming global leaders in healthcare sustainability solutions.

Complying with 2030 global best practices.

Driving long-term security, efficiencies and cost savings through sustainable resource management.

Net zero emissions by 2050

Our environmental sustainability programme continued

Meeting our commitments

Operational efficiency targets aligned with our energy, water and waste reduction objectives are set for all acute hospitals across the Group. Facilities are categorised according to factors relevant to their energy, water and HCRW[1] demands, averages computed for these categories, and targets assigned based on site performance. More ambitious targets are set for high-performing facilities. Group-level targets are also set.

Dedicated environmental sustainability dashboards track progress against our energy, waste and water targets at Group and site level, and an initiative tracker provides facilities with a list from which they can select operational efficiency initiatives for implementation to improve performance. Dashboards are also used by the asset management team to track operational efficiency performance. To ensure our data are representative, site-level baselines are regularly evaluated to eliminate or account for anomalies (eg leaks and/or upgrades) and are statistically adjusted when necessary.

A committee meets monthly to conduct an in-depth review of Group and site-level performance against 2030 targets. Environmental sustainability performance is elevated to leadership via multiple engagement forums, including the Sustainability Committee, the Hospital Division's Executive Committee and regional executive committee meetings, the Consistency of Care Committee, and various technical meetings.

The Hospital Division is the initial focus for all our efficiency and sustainability initiatives as it accounts for the bulk of our environmental impact. During FY 2025, an additional **168** (FY 2024: 406) operational efficiency initiatives were implemented across the Group.

In the short term, we plan to embed lifecycle carbon and resilience assessments into project planning and procurement processes. We have evaluated our systems and determined that they are aligned with ISO 14001 (Environmental Management Systems) and will consider seeking certification for this standard or for ISO 7101 (Healthcare Quality Management) in the medium term to achieve improved operational and financial efficiencies – ISO 7101 includes an environmental management standard. In the longer term, we aim to ensure that all new hospital developments adhere to sustainability guidelines and will incorporate green building initiatives into our strategy.

1. **HCRW:** *healthcare risk waste.*
2. **ESP:** *Enterprise Sustainability Platform.*
3. **SHEQ:** *safety, health, environmental sustainability and quality management.*

Our Enterprise Sustainability Platform

The ESP[2] gathers sophisticated data on our energy and water consumption, enabling us to establish baselines, benchmark our facilities and set clear targets per facility. As of FY 2025, **more than 98%** of the Group's energy and water consumption is monitored by our fully digital ESP. This includes **more than 940** meters across **over 100** sites, providing us with **over 15 000** data points to track, and enabling us to evaluate the real-time consumption of each one of our energy assets.

Energy

We measure energy consumption through electricity purchased and calculate reductions against our performance at baseline. Meters are critical for establishing accurate baselines against which to measure, verify and report energy reductions, as well as to accurately record our tenants' usage. Electricity meters cover **100%** of the Group's facilities. We have also installed meters on generators and diesel tanks – these allow us to track real-time generation and fuel consumption, enabling us to timeously identify low fuel levels. National audits enable us to identify opportunities to reduce our electricity consumption, as well as additional projects for implementation.

Waste

Waste governance is managed on SafeCyte (the Group SHEQ[3] information management system), and a data management dashboard is used to track waste volumes at hospitals. Our audits of waste service providers cover compliance with waste management regulations, training, employee competency, waste information systems, control and security, transportation, monitoring, environmental impact and health and safety. Waste is measured by collecting and weighing the waste collected for each waste stream.

Read more about SafeCyte in our quality report online: Governance.

Water

Water consumption is measured via water meter readings. Water meters are installed at **all** Netcare hospitals, Netcare Akeso facilities and National Renal Care units. Data from utility accounts is used to determine water usage at Netcare Primary Care sites.

Our environmental sustainability programme continued

Sustainability and asset management

Effective asset management is essential for balancing operational excellence, environmental responsibility and long-term sustainability as well as driving operational resilience – our asset management system forms part of the ESP and supports our environmental sustainability goals. Our asset management and sustainability framework is aligned with ISO 55000 (Asset Management) and comprises governance and compliance, reporting and monitoring, stakeholder collaboration and asset lifecycle management functions which incorporate the following key components:

Governance and compliance	Reporting and monitoring	Stakeholder collaboration	Asset lifecycle management
Policies aligned with ISO 55000 principles; SOPs, technical guidelines; maintenance protocols; and technical updates.	Power BI dashboards for detailed tracking; the asset management scorecard provides an overview of KPIs; the centralised critical alarm system enables continuous monitoring of critical infrastructure; and Netcare GLO provides near real-time analytics for key systems.	Weekly, monthly and quarterly engagement at various levels facilitates knowledge sharing, provides opportunities to discuss performance and improvement plans and to evaluate trends, identify risks and approve corrective strategies.	Automation workflows; technical and property project alignment with asset management and sustainability operations; equipment reporting and verification; performance monitoring; and technical support.

The related computerised management system covers **68** facilities and **over 114 000** maintenance-significant items. Sustainability tracking is enabled by **over 12 000** digital utility meters and plant monitoring field devices that facilitate water and electricity efficiency tracking and solar PV plant performance monitoring.

Return on environmental sustainability projects

All environmental sustainability capex projects are reviewed 12 months after completion using the SANS 50010 measurement and verification standards and by comparing performance against our original predictions. Reviews conducted on projects with a cumulative capex of **R499 million** indicate a net present value of **R189 million** against a predicted **R144 million**, demonstrating that our projects are achieving greater savings than originally anticipated. Payback periods continue to shorten as utility costs increase. Cumulative benefits for the environmental sustainability programme to date equate to **275%** of capex invested.

In its second year, the 2030 environmental sustainability strategy generated operational savings of **R42 million** (FY 2024: R31 million).

Financial results of our environmental sustainability programme at FY 2025

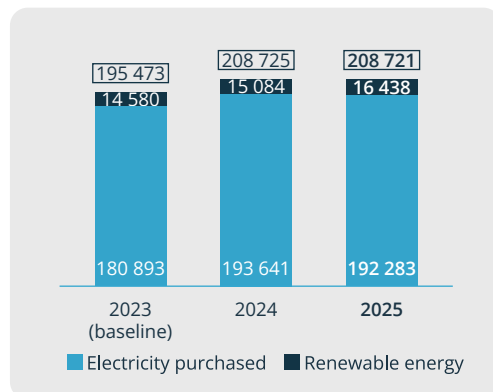|	Capex				Opex				Operational saving			
	2026	**2025**	2024	To 2023	2026	**2025**	2024	To 2023	2026	**2025**	2024	To 2023
Total (Rm)	74	**69**	87	624	14	**13**	13	123	8	**42**	31	377

Note: operational savings restated for FY 2025 and FY 2024 due to a change in methodology. Previously, this was calculated on registered beds but is now calculated on patient days to more clearly represent our operational performance. Using registered beds for this calculation would result in savings of R31 million being reported for FY 2025 and R26 million for FY 2024.
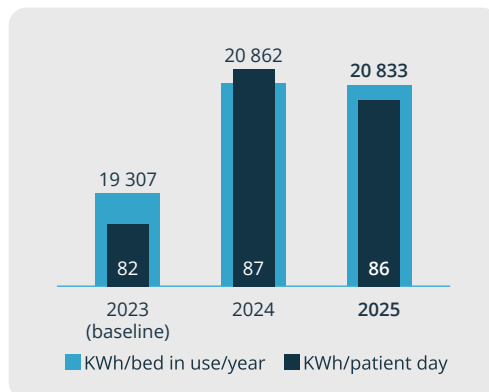
Reducing our carbon footprint

Reaching net zero by 2050 will require agility, adaptability, experimentation and innovation as we evaluate, pilot and implement emerging technologies and solutions that reduce our emissions while also providing accurate and reliable performance monitoring data.

Group energy consumption

Electrical energy consumption (MWh)

	2023 (baseline)	2024	2025
Total	195 473	208 725	208 721
Renewable energy	14 580	15 084	16 438
Electricity purchased	180 893	193 641	192 283

■ Electricity purchased ■ Renewable energy

Energy intensity on monitored facilities

	2023 (baseline)	2024	2025
KWh/bed in use/year	19 307	20 862	20 833
KWh/patient day	82	87	86

■ KWh/bed in use/year ■ KWh/patient day

Note: this graph reflects our energy intensity for beds that are in use only. The intensity ratio reported alongside is calculated on all beds.

2030 targets: 100% renewable energy | Reduce electricity intensity by an additional 1%

Energy efficiency

6 840

additional year-on-year tCO_2e avoided from new projects implemented.

FY 2025 BSC target: 4 700 tCO_2e

FY 2024: 2 300 tCO_2e

Intensity ratio: total energy to beds[1]

1% decrease

to **18 787 kWh/bed/year,** a **4% increase** against baseline.

FY 2024: 18 968 kWh

FY 2023 baseline: 18 128 kWh

Renewable energy

1 573

additional year-on-year tCO_2e avoided from new projects implemented.

FY 2025 BSC target: 1 300 tCO_2e

FY 2024: 1 847 tCO_2e

16.4 GWh

renewable energy generated and a total generating capacity of **16.1 MWp**.

FY 2024: 15.1 GWh, 15.2 MWp

Electrical energy consumption decreased marginally year on year, and electricity purchased decreased **1%** despite lower load shedding resulting in reduced generator usage, offset by an increase in renewable energy. Overall (direct and indirect) energy consumption decreased **7%** to **243 665 MWh** (FY 2024: 262 688 MWh) due to significant reductions in natural gas usage (a focus area for FY 2025) and generator usage (due to reduced load shedding). The energy intensity of our operations (KWh/bed/year) decreased due to energy efficiency initiatives. Operational efficiencies and renewable energy initiatives enabled us to meet and exceed related FY 2025 Group BSC targets. Our renewable energy generating capacity continues to increase, with material changes anticipated upon the full implementation of Phase 1 of our renewable energy wheeling initiative in late FY 2026.

Electricity costs increased **11.0%** year on year to **R565 million** (FY 2024: R509 million), primarily due to the variable impacts of Eskom and municipality tariff increases, up an average of **11.9%**. Eskom tariff restructuring also impacted actual tariffs due to changes to time-of-use methodologies. Projections indicate a **12.6%** increase to **R573 million** had no sustainability interventions taken place. Diesel costs for the year were **R13 million** (FY 2024: R47 million); the decrease is attributable to reduced load shedding, but savings were offset by increased electricity costs.

1. Metric updated to include electricity purchased and generator usage to account for changes in the degree and frequency of generator usage during load shedding. Numbers have been restated to account for this change in methodology (from FY 2023: 17 325 kWh; FY 2024: 18 679 kWh).

Reducing our carbon footprint continued

100% renewable energy programme

Achieving 100% renewable energy will enable the Group to access the market at scale, maximise our ability to reduce Scope 2 emissions, and lower our operational costs. Our primary means for achieving this is through our grid wheeling initiative which focuses on securing cost-effective power-purchasing agreements with energy traders to wheel[1] renewable wind turbine and solar energy to our facilities. Our solar PV and BESS[2] solution rollouts support this goal. Onsite solar PV installations are subject to space constraints but can be optimised and upsized, while BESS solutions enable solar optimisation by storing excess energy generated and also reduce costs through energy arbitrage, enhance energy resilience, reduce demand costs and enable potential future revenue generation. By accelerating renewable energy adoption, storage and deployment, the Group will strengthen its operational resilience and cost stability.

We invested **R14 million** (FY 2024: R11 million) in our renewable energy programme during FY 2025. Our solar PV installations achieved a **R48 million** (FY 2024: R38 million) cost saving for the year. Our two recently commissioned BESS installations are estimated to achieve a **R3 million** cost saving in FY 2026; their first year of operation. A **R14 million** capex investment in solar PV is projected for FY 2026.

Key renewable energy initiatives

Renewable energy wheeling

✓ Phase 1 commenced in March 2022 and is on track to provide renewable energy to **six** sites representing around **12%** of annual electricity consumption by September 2026.

↻ Phase 2 is now underway – negotiations with municipalities to supply **12** sites representing around **15% to 20%** of annual electricity consumption are ongoing. Phase 3 is in its early stages and will focus on municipalities in which virtual wheeling is enabled.

» Medium to longer term: roll out Phase 4, which will focus on identifying solutions for municipalities where wheeling is not enabled.

BESS solutions and solar PV installations

✓ Installed BESS at **20** Netcare Medicross centres and **two** acute hospitals.

↻ Increasing our solar PV footprint. This year, we installed **two** additional PV systems – a further **three** are planned for FY 2026.

» Short to medium term: upsize and optimise to onsite solar PV systems that have integrated storage capacity (eg BESS) and conduct BESS solution feasibility studies, prioritising implementation at high-consumption facilities.

» Medium term: leverage AI driven energy management to optimise demand and storage operations.

Energy efficiency

Our energy efficiency projects work in synergy with our renewable energy programme, reducing total energy demand and accelerating the shift of the Group's energy mix, while simultaneously reducing the capital investment required to supply our energy demands via onsite and offsite renewables. As the Group's digital and AI capabilities mature, we will need to prepare our facilities for increased digital and electrical loads linked to AI and healthcare data processing.

We invested **R35 million** (FY 2024: R54 million) in our energy efficiency initiatives over FY 2025, with **R17 million** earmarked for FY 2026.

Key energy efficiency initiatives

✓ HVAC is the main driver of electricity consumption in our facilities. We lower its impact by using waste heat for zone heating and hot water generation, driving off-duty cycles in theatres, and installing time and movement sensors on split units (cleaning and replacing these when needed to improve efficiency).

✓ National energy efficient lighting rollout: **over 100 000** more efficient LED alternatives installed at **43** acute hospitals.

↻ Netcare Medicross lighting retrofit rollout: initiated proceedings for installing more efficient LED lighting at **35** centres, which will reduce costs, electricity consumption and Scope 2 emissions (by around **734 825 kg CO_2/year**).

↻ Collaborating with centralised asset management and marketing departments on increasing efficiencies.

↻ Various initiatives in place for multiple years, including using energy efficient heat pumps to generate hot water, maintaining and optimising equipment and temperatures (eg smart control systems for heating and cooling, cooling towers and chillers, geysers, freezers, refrigerators etc), plant management initiatives (eg monitoring for inefficiencies, consolidating and reducing redundancies, occupancy sensors) engaging with stakeholders on efficiency initiatives (eg employees and doctors), and procuring energy efficient equipment and new technologies.

» Medium term: deploy AI driven predictive energy management (eg HVAC and lighting management) and IoT[3]-enabled building management systems for real-time energy management.

» Medium term: onboard Netcare Akeso onto the operational efficiency programme.

1. Wheeling is best described as a financial transaction where electrical energy produced by a generating facility or power producer is wheeled through the grid, allowing the independent power producer to sell the electrical energy to the energy consumer without a direct or physical connection between the parties.
2. **BESS:** battery energy storage system. Feasibility studies for these installations indicate that the projects will provide additional cost advantages by storing energy in off-peak periods and discharging in peak periods.
3. **IoT:** Internet of Things.

Reducing our carbon footprint continued

Greenhouse gas emissions

Our 2030 environmental strategy and targets are designed to build a solid foundation for achieving our long-term ambition of net zero emissions by 2050. We have identified Scope 2 emissions as those over which we have the highest degree of control and have therefore set the most ambitious target for these. Our energy efficiency and 100% renewable energy programmes will enable us to reduce our coal-sourced purchased electricity to zero, eliminating Scope 2 emissions by 2030. We also have specific Scope 1 emission reduction initiatives in place. Our Scope 3 emissions were fully quantified in FY 2024, with targets set for Scopes 1, 2 and 3 emissions approved by the SBTi[1] in December 2024.
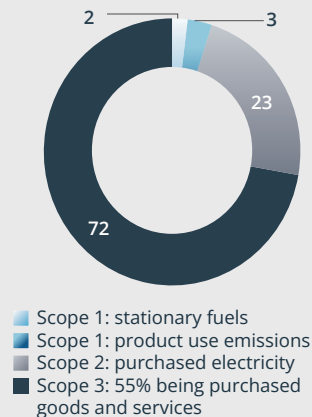
Reducing Scope 1 and 2 emissions

Our Scope 1 emissions[2] are impacted by external factors, including supply interruptions that increase generator fuel usage, patient needs that drive medical gas usage, and road and air ambulance services that rely primarily on fossil fuel use. While reducing these is challenging, we closely monitor market trends, innovate, and develop products to secure alternative solutions as they become available. Our Scope 2 emissions[3] relate exclusively to purchased electricity and will be addressed by our 100% renewable energy programme and energy efficiency initiatives.

1. **SBTi:** Science Based Targets initiative.
2. Includes: mobile fuels (diesel, petrol and aviation fuel), stationary fuels (natural gas, diesel for generators, LPG and coal), fugitive emissions (refrigerants (R134A, R410A, R404A, R407C, R507A, R32) and medical gases (nitrous oxide, carbon dioxide, nitronox, nitric oxide, liquid oxygen, oxygen, helium)). Measured by converting volume data from actual purchases from suppliers into equivalent CO_2 emissions.
3. Assessed by measuring the amount of electricity used at each of our facilities, converting this into equivalent CO_2 emissions based on how the electricity was generated.
4. The 2023 Department of Forestry, Fisheries and the Environment (DFFE) CO_2 emissions factor of 0.906 kg CO_2/kWh was used to calculate emissions.

Carbon footprint[4]

Breakdown of carbon emissions (%)

2 — 3
23
72

- Scope 1: stationary fuels
- Scope 1: product use emissions
- Scope 2: purchased electricity
- Scope 3: 55% being purchased goods and services

Note: Scope 1 emissions from mobile fuels accounted for less than 1%.

Group carbon emissions (tCO$_2$e)

Year	785 375	792 647	767 472
Scope 3	551 772	571647	557 978
Scope 1	45 474	40 720	35 286
Scope 2	188 129	180 280	174 208
	2023	2024	2025

- Scope 1 emissions
- Scope 2 emissions
- Scope 3 emissions
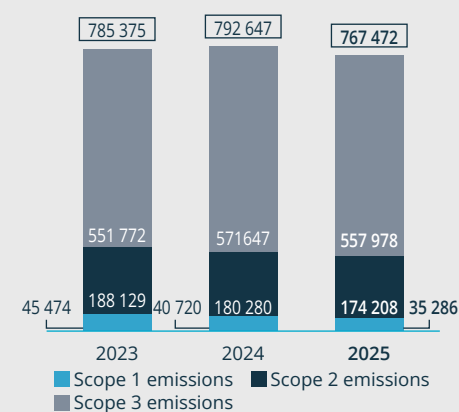
Note: the above graph excludes emissions falling outside of the Kyoto Protocol. Scope 3 emissions restated to account for updates to Scope 3.3 (upstream emissions) emissions factors (from: FY 2023: 519 107; FY 2024: 545 612). Total Scope 1,2 and 3 emissions updated (from FY 2023: 752 710; FY 2024: 766 612).

Reducing our carbon footprint continued

Reducing Scope 1 and 2 emissions continued

Breakdown of Scope 1 emissions (%)	2025	2024	2023
Mobile fuels: diesel (transport)	**12**	10	8
Stationary fuels: diesel (generators)	**5**	13	31
Stationary fuels: coal	**21**	19	18
Stationary fuels: natural gas	**2**	3	3
Stationary fuels: LPG	**1**	1	1
Stationary fuels: total	**41**	46	61
Product used: refrigerant gases	**17**	14	8
Product used: medical gases	**41**	39	31
Product used: total	**58**	53	39

Absolute Scope 1 emissions

13% decrease

to **35 286 tCO$_2$e**.

FY 2024: 40 720 tCO$_2$e

Scope 1 and Scope 2 emissions breakdown (tCO$_2$e)

233 603
188 129
45 474
2023 (baseline)

221 000
180 280
40 720
2024

209 494
174 208
35 286
2025

■ Scope 1 ■ Scope 2

Absolute Scope 1 and 2 emissions

5% decrease

to **209 494 tCO$_2$e**, a **10% decrease** against the 2030 strategy baseline and **15%** against the SBTi baseline.

FY 2024: 221 000 tCO$_2$e
FY 2023 baseline: 233 603 tCO$_2$e
FY 2019 SBTi baseline: 245 218 tCO$_2$e

Intensity ratio: Scope 1 and 2 emissions to revenue

9% decrease

to **7.95 tCO$_2$e/Rm**.

FY 2024: 8.77 tCO$_2$e/Rm

Scope 2 emissions: purchased electricity

3% decrease

to **174 208 tCO$_2$e**, a **7% decrease** against the 2030 strategy baseline.

FY 2024: 180 280 tCO$_2$e
FY 2023 baseline: 188 129 tCO$_2$e

Intensity ratio: Scope 1 and 2 emissions to beds

5% decrease

to **19.33 tCO$_2$e/beds**.

FY 2024: 20.40 tCO$_2$e/beds

2030 targets: reduce Scope 1 and 2 emissions by a combined 84% | Reduce Scope 2 emissions to zero

SBTi targets: reduce Scope 1 and 2 emissions by a combined 63% by 2034 and by 90% by 2050 to achieve net zero
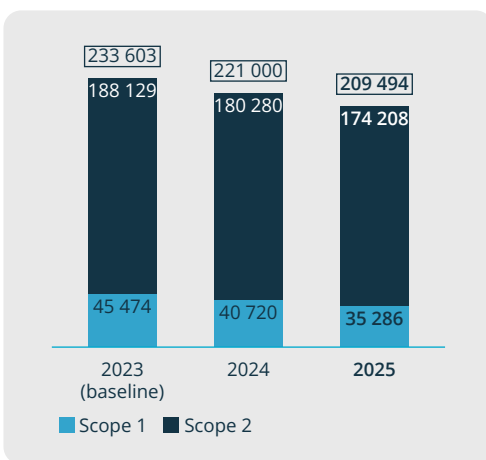
Lower levels of load shedding in FY 2025 decreased generator usage and resulted in a lower-than-anticipated decrease in purchased electricity, positively impacting Scope 1 emissions and negatively impacting Scope 2 emissions. However, this was offset by an improvement in the updated DFFE 2023 emissions factor (from 0.931 to 0.906 kg CO$_2$/kWh) which resulted in an overall decrease in Scope 2 emissions year on year.

Diesel generator usage decreased **69%** year on year, and total diesel usage decreased **40%**.

Our rented fleet of **222** petrol and diesel vehicles, **four** helicopters and **three** jets distributed across **80** sites is essential to providing quality, emergency care for patients, including free care to those who cannot afford to pay for these services. The diesel emissions produced by the fleet, however, only contribute to around **1%** of Scope 1 emissions.

KEY: ✓ Achieved ↻ In progress/continuous » In future

Key Scope 1 reduction initiatives

- ✓ Implemented generator load curtailment to decrease diesel consumption during load shedding[1].
- ✓ Fully automated the laundry boiler system, reducing coal and electrical energy consumption.
- ✓ Concluded piloting the use of biodiesel as generator fuel at one facility and commenced roll out to Netcare Akeso facilities. In addition to reducing our Scope 1 emissions, the initiative will achieve significant cost savings as biodiesel is currently cheaper than fossil fuel-based diesels.
- ↻ Converting our remaining domestic hot water systems from onsite natural gas boilers to alternative energy efficient sources (eg heat pumps).
- » Medium to longer term: evaluating the use of electric ambulances for use by Netcare 911 and initiating pilots in select metropolitan regions.

1. *For example, by reducing use of high-consumption and non-critical equipment during load shedding. This initiative remains ready for re-activation should load shedding resume.*

Reducing our carbon footprint continued

Scope 3 emissions

Our Scope 3 emissions and footprint are calculated in accordance with the Greenhouse Gas Protocol[1]. Baseline calculations cover all Netcare hospitals (including training, laboratory, laundry and administration facilities), Netcare 911, Netcare Akeso facilities, Netcare Medicross centres and National Renal Care units. Of the 15 Scope 3 categories specified, ten apply to Netcare.

Breakdown of Scope 3 emissions (% and tCO$_2$e)	2025 (%)	2025 (tCO$_2$e)	2024 (%)	2024 (tCO$_2$e)	2023 (%)	2023 (tCO$_2$e)
3.1. Purchased goods and services	75	420 110	78	448 424	74	410 629
3.2. Capital goods	6	33 109	5	27 714	5	27 554
3.3. Fuel and energy-related activities	10	53 764	9	51 749	10	54 098
3.4. Upstream transportation and distribution	<1	3 667	<1	3 461	3	14 511
3.5. Waste generated in operations	<1	2 482	<1	2 952	1	4 637
3.6. Business travel	<1	670	<1	893	<1	1 331
3.7. Employee commuting	3	15 930	3	14 678	2	14 620
3.8. Upstream leased assets	<1	2 671	<1	2 793	<1	3 004
3.9. Downstream transportation and distribution	2	8 324	<1	1 822	<1	1 789
3.13. Downstream leased assets	3	17 253	3	17 161	4	19 599

Note: Scope 3 emissions restated to account for updates to Scope 3.3 (upstream emissions) emissions factors (from: FY 2023: 519 107; FY 2024: 545 612). This has also resulted in changes to our Scope 3 breakdown and accompanying metrics.

Scope 3 emissions decreased year on year as a result of our increased focus on reducing downstream emissions, particularly for emissions relating to purchased goods and services, which decreased **6%** year on year and **17%** against the FY 2019 SBTi baseline of **505 260 tCO$_2$e**. In the longer term, our 100% renewable energy programme will reduce Scope 3 emissions for fuel and energy-related activities and downstream leased assets (tenant emissions) to zero.

Scope 3 emissions

2% decrease

to **557 978 tCO$_2$e**, a marginal increase against the 2030 strategy baseline and a **15% decrease** against the SBTi baseline.

FY 2024: 571 647 tCO$_2$e
FY 2023 baseline: 551 772 tCO$_2$e
SBTi FY 2019 baseline: 657 532 tCO$_2$e

2030 targets: significantly reduce Scope 3 emissions against baseline

SBTi targets: reduce Scope 3 emissions by 27.5% (46.2% of Scope 3.1) by 2030 and by 90% by 2050 to achieve net zero

1. **GHG Protocol:** *Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard.*

KEY: ⊘ Achieved ⟳ In progress/continuous ⟫ In future

Key Scope 3 reduction initiatives

⊘ Fully quantified our Scope 3 emissions and set science-based emissions targets via SBTi – these have been approved.

⊘ Installed **eight** electric vehicle charging stations, providing patients and/or employees greater access to electric vehicle charging infrastructure. **Two** additional stations are planned and will be installed in the short term.

⟳ Identifying opportunities for intervention and decarbonisation (eg high-emissions suppliers, localisation, greener commodities, suppliers with SBTi commitments, optimising ordering frequency) that can be accounted for under the GHG Protocol.

⟳ Our zero general waste strategy, water saving initiatives, renewable energy programme and energy efficiency drives that reduce tenant water and electricity use.

⟳ Our green procurement policy, which is revised annually.

⟫ Short to medium term: implementing supplier engagement programmes to manage indirect supply chain emissions.

⟫ Medium to longer term: reviewing and utilising AI driven technology to increase the accuracy of Scope 3 data and SBTi calculations.

⟫ Longer term: investing in reforestation and carbon sequestration to offset unavoidable emissions (also impacts Scope 1 emissions).

⟫ Longer term: collaborating with suppliers to reduce upstream and downstream emissions.

Additional performance metrics: key ESG indicator report online.

Targeting zero waste to landfill

Achieving our zero waste to landfill target will reduce the Group's environmental impact and carbon footprint while decreasing costs, ensuring resource recovery, minimising wastage of scarce natural resources, creating employment opportunities, and contributing to a less polluted and greener SA.
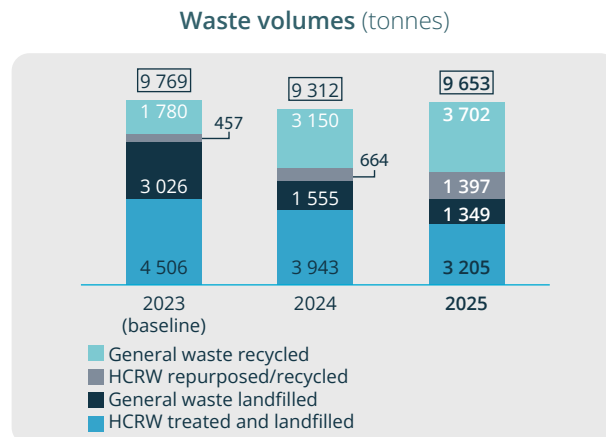
Waste generation

We are transitioning from a linear to circular economy model of waste management and prioritise waste prevention, re-use, recycling and resource efficiency. Advanced waste repurposing strategies will be implemented to achieve zero waste to landfill by 2030. In FY 2025, we introduced a new integrated waste management policy aligned with our long-term objectives. This is supported by our sustainable procurement policy.

Our waste is grouped into three main categories, with performance reported for the Group and Hospital Division (the division contributing the bulk of the Group's waste, particularly HCRW[1]).

1. **HCRW:** *healthcare risk waste.*

Group performance

Waste volumes (tonnes)

	2023 (baseline)	2024	2025
Total	9 769	9 312	9 653
General waste recycled	1 780	3 150	3 702
HCRW repurposed/recycled	457	664	1 397
General waste landfilled	3 026	1 555	1 349
HCRW treated and landfilled	4 506	3 943	3 205

Legend:
- General waste recycled
- HCRW repurposed/recycled
- General waste landfilled
- HCRW treated and landfilled

*Note: graph total provided for HCRW excludes **68 tonnes** of incinerated HCRW. We have enhanced our reporting and now classify repurposed and recycled waste separately to HCRW and general recycled waste. Total waste including incinerated HCRW is **9 721 tonnes**.*

2030 target: zero waste to landfill

Healthcare risk waste

HCRW is strictly regulated and the most expensive category of waste to treat and landfill. It includes sharps, gloves, used medical items like bandages and infectious waste (including highly infectious or isolation waste) as well as anything anatomical. A substantial portion of our HCRW is treated using non-burn technologies to reduce environmental impact; however, pharmaceutical and anatomical waste must be incinerated in accordance with legislation (this accounts for less than **2%** of Netcare's HCRW).

General waste

General waste includes all waste sent to landfill (barring HCRW) and is the focus of our measurement enhancement efforts and zero waste strategy, which will significantly reduce our environmental impact and costs.

Recycled waste

Recycling reduces our Scope 3 emissions, limits our exposure to unpredictable waste cost escalation and converts our waste streams to value streams that support ESD.

Targeting zero waste to landfill continued

Group performance continued

Total waste sent to landfill	HCRW treated and landfilled	General waste sent to landfill	Waste recycled or repurposed	Intensity ratio: total waste generated to revenue	Intensity ratio: total waste generated to beds
17% decrease	**19% decrease**	**13% decrease**	**34% increase**	**21% decrease**	**17% decrease**
to **4 554 tonnes** year on year and a **40% decrease** against baseline.	to **3 205 tonnes**.	to **1 349 tonnes**.	to **5 099 tonnes**.	to **175 kg/Rm**.	to **426 kg/bed**.
FY 2024: 5 498 tonnes	FY 2024: 3 943 tonnes	FY 2024: 1 555 tonnes	FY 2024: 3 814 tonnes	FY 2024: 221 kg/Rm	FY 2024: 514 kg/bed
FY 2023 baseline: 7 532 tonnes	*Note: excludes incinerated HCRW.*				

For FY 2025, total waste sent to landfill decreased due to increased focus on operational efficiency drives and recycling. Total waste landfilled or incinerated was **4 622 tonnes** (FY 2024: 5 571 tonnes), a **17%** year-on-year decrease. HCRW volumes and general waste sent to landfill continued to decline year on year as acute hospitals focus on waste minimisation and segregation at source. Recycling continues to increase year on year due to our various recycling and diversion initiatives – this year, **52%** of total waste (including incinerated HCRW) was recycled, including **73%** of general waste and **30%** of HCRW.

The year-on-year cost of managing HCRW decreased **2.5%**. The balance of waste disposal costs decreased **2.7%**. Actual costs for FY 2025 were **R52 million**. Projections indicate a **37%** increase to **R71 million** had no sustainability interventions taken place.

*Note: FY 2023 and FY 2024 numbers for waste landfilled (from FY 2023:7 989 tonnes; FY 2024: 6 161 tonnes), HCRW treated and landfilled (from FY 2023: 4 963 tonnes; FY 2024: 4 606 tonnes), waste recycled or repurposed (from FY 2023: 1 780 tonnes; FY 2024: 3 150 tonnes), intensity ratios (FY 2023: 340kg/Rm; FY 2024: 247kg/Rm and FY 2023: 739kg/bed; FY 2024: 575 kg/bed) and total waste landfilled or incinerated (from FY 2023: 8 064 tonnes; FY 2024: 6 234 tonnes) updated to reflect a change in methodology. We now report on HCRW recycled/repurposed separately to HCRW treated and landfilled, as is seen in the graph on **page 41**, resulting in changes to a wide range of metrics reported.*

HCRW cost and cost per patient day

	2023 (baseline)	2024	2025
HCRW cost per patient day (R)	22.7	21.5	20.9
HCRW cost (Rm)	56	53	52

■ HCRW cost (Rm) ▬ HCRW cost per patient day (R)
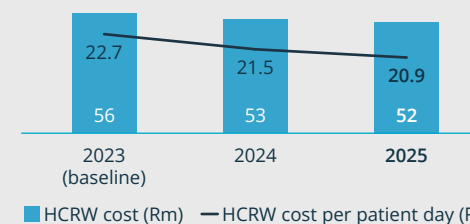
Hospital Division

Total general waste generated	General waste sent to landfill	General waste recycled	HCRW generated	HCRW sent to landfill	HCRW diverted from landfill	Intensity ratio: HCRW per patient day
12% increase	**33% decrease**	**80.0% (4 120 tonnes)**	**1% increase**	**19% decrease**	**31.4% (1 397 tonnes)**	**2% decrease**
to **5 156 tonnes**, including recycled waste.	to **1 036 tonnes**.	recycled, a **34%** year-on-year increase.	to **4 451 tonnes**.	to **3 054 tonnes**.	recycled, a **110%** year-on-year increase.	to **1.99 kg/ppd¹**.
FY 2024: 4 622 tonnes	FY 2024: 1 548 tonnes	**FY 2025 BSC target: 75.0% of general waste**	FY 2024: 4 413 tonnes	FY 2024: 3 749 tonnes	**FY 2025 BSC target: 20.0% of total HCRW**	FY 2025 target: 2.00kg/ppd
		FY 2024: 66.5%, 3 074 tonnes			FY 2024: 15.0%, 664 tonnes	FY 2024: 2.02 kg/ppd

The Hospital Division continues to make good progress on diverting general waste and HCRW from landfill, meeting the Group BSC targets for FY 2025 and the internal target set for HCRW per patient day due to their focus on waste prevention, segregation at source, recycling and resource efficiency initiatives. Better segregation of HCRW also increased general waste as items previously captured as HCRW were categorised as general waste.

Note 1: BSC numbers and their accompanying metrics are calculated using different methodologies, for example, numbers may be adjusted to exclude public private partnerships, or to exclude anomalies such as leaks etc. The same adjustments are applied to both baseline and performance numbers to ensure comparability. Baseline adjustments for BSC-related items are calculated yearly and are therefore not always comparable with prior reporting.
Note 2: FY 2024 number for HCRW per patient day updated to reflect changes to methodology applied when determining FY 2025 targets.

1. PPD: per patient day.

Targeting zero waste to landfill continued

Our zero general waste to landfill strategy

With landfill space in SA rapidly decreasing and the high environmental burden of waste disposal via landfill, general waste diversion is a top priority for Netcare. Our zero general waste to landfill strategy targets zero general waste certification for the Group[1] by FY 2027 (provided logistical and legal factors do not cause delay). The strategy is guided by the waste hierarchy which prioritises waste avoidance approaches[2] over waste management[3], resulting in minimal waste for disposal via landfills. This initiative is now implemented at all acute hospitals – waste reduction targets have been set for each facility and all have established systems to monitor segregation at source, reduce waste and recover recyclables.

General waste service providers are appointed at all acute hospitals and waste diversion targets are set. We have secured commitments to prioritise diverting 100% of specific waste streams from landfill (eg electronic, food and garden, packaging, shredded paper, glass, steel, metal, aluminium waste etc). Agreements are in place for the recovery of residual and non-recyclable waste. This is diverted from landfill to energy production.

Currently **77%** of acute hospitals meet criteria for zero general waste certification (diverting 70% to 97% of general waste from landfill). Audits are conducted at facilities with diversion rates below 70% to identify areas for improvement.

All untreated effluent is discharged into municipal sewer systems. There were no significant spills in FY 2025.

1. *Beginning with the Hospital Division.*
2. *Reducing and reusing waste.*
3. *Recycling, recovering and disposing of waste.*

Zero general waste initiatives

Organic waste composting and recovery

↻ Offsite composting solutions reduce the volume of organic and wet waste sent to landfill – compost is sold or donated to small-scale farmers.

✓ Composting solutions are in place for all Netcare Hospitals.

Electronic waste recycling

↻ Electronic waste and batteries are recycled in partnership with Kyocera, Hazco Green Solutions and Desco Electronic Recyclers.

Food waste to energy: anaerobic digestion plants

✓ Received approval for piloting a food waste to energy project at Netcare Alberton Hospital producing an organic fertiliser as a byproduct, a first for hospitals in Africa. The plant started generating electricity in October 2025.

» Medium to longer term: roll out plants at facilities with adequate waste volumes.

Additional general waste initiatives

↻ Various initiatives focused on reducing the use of or recycling paper, plastic, garden waste and redundant or unused furniture.

↻ Operational efficiency initiatives (eg better enforcement of source segregation initiatives).

» Short term: explore food waste prevention and reduction strategies (eg engaging with suppliers to reduce overproduction waste, digitising patient meal ordering systems and continuous inventory monitoring) and onsite composting solutions (eg vermicomposting).

» Short term: identifying recycling partners in provinces where facilities are limited (eg KwaZulu-Natal).

» Medium term: identifying opportunities for and implementing construction and demolition waste recycling initiatives.

» Medium term: green procurement and enhanced waste segregation initiatives.

» Medium term: optimising general waste sorting initiatives and obtaining net zero general waste certification for facilities where recycling volumes exceed **90%**.

Organic waste

1 515 tonnes

diverted from landfill in FY 2025.

FY 2024: 1 159 tonnes

Electronic waste

9 tonnes

diverted from landfill in FY 2025.

FY 2024: 6 tonnes

Targeting zero waste to landfill continued

KEY: ✓ Achieved | ↻ In progress/continuous | ⟫ In future

HCRW diversion

Diverting HCRW reduces operational costs and significantly reduces waste volumes sent to landfill; however, this is contingent on the waste being treated to a standard that allows for repurposing. Most of our diversion initiatives focus on finding innovative ways to treat and process waste, transforming it into useful secondary products like fuel, energy products, furniture and school shoes for children. Several of the providers participating in this programme are also enterprise development beneficiaries.

We track financial savings resulting from HCRW initiatives monthly. HCRW diversion costs are typically lower than infectious waste management costs per kilogramme.

HCRW initiatives

Beneficiation: HCRW to fuel

↻ Treating HCRW to a low-risk sterile standard.

↻ Investigating various uses for transformed HCRW, including fuel cell production and making secondary products (eg pallets, planters etc)[1].

✓ **20** hospitals participate in this initiative.

Beneficiation: clinical glass to fuel

↻ Treating clinical glass to a low-carbon coal product through thermal desorption and donating it to cement and building industries where it is used as a coal supplement (reducing their emissions).

✓ **39** hospitals participate in this initiative run in partnership with Netcare HCRW service providers.

Additional HCRW initiatives and performance

✓ Enhanced segregation of HCRW and general waste at source.

↻ Recycling high-quality single-use PVC waste to make waterproof, recyclable school shoes (**page 45**).

↻ Recycling freeflex drip bags, converting drip bag residue into fuel and using it to run the boiler at the waste treatment plant.

↻ Collecting, sanitising and diverting condemned linen from Netcare facilities, donating it for re-use, recycling and repurposing.

↻ Exploring potential partnerships for using pyrolysis to convert treated HCRW into secondary materials and plasma gasification to treat various HCRW streams.

↻ Progressively eliminating single-use HCRW items.

↻ Collaborating with regulators to resolve barriers to recycling certain types of waste and with waste service providers on training and capacity-building.

⟫ Medium term: recycling non-contaminated personal protective equipment.

⟫ Medium to longer term: exploring further opportunities to increase HCRW recycling rates and to convert waste into energy without negatively impacting the Group's carbon footprint.

Beneficiation

78 tonnes

converted into fuel.

FY 2024: 84 tonnes

1 005 tonnes

converted into planks, pallets, planters etc.

FY 2024: 292 tonnes

199 tonnes

clinical glass converted to fuel.

FY 2024: 172 tonnes

Additional initiatives

114 tonnes

recycled through various initiatives, including PVC waste (**41 tonnes**), freeflex drip bags (**41 tonnes**) and condemned linen (**32 tonnes**).

FY 2024: 111 tonnes

Note: theatre wrap is now recycled under general rather than HCRW and is no longer reported on in this section.

1. *In partnership with the Council for Scientific and Industrial Research, Tech4Green and Buhle Waste (a 100% black-owned company).*

Targeting zero waste to landfill continued

My Walk Made with Soul

My Walk Made with Soul is an environmental and social transformation initiative (founded by Netcare and Adcock Ingram Critical Care) that uses Netcare's single-use high-quality PVC waste to make waterproof, recyclable school shoes for underprivileged children.

Participating Netcare hospitals dispose of non-hazardous, uncontaminated PVC drip bags, oxygen masks and tubing into dedicated My Walk bins. A designated service provider collects and sorts the products before transporting them to the My Walk recycling plant, where the waste products are cleaned. The materials are then granulated, melted and injection moulded to make shiny, durable and comfortable school shoes.

The solution benefits society by supporting education, job creation and enterprise development, and reducing GHG emissions. The initiative adds to a child's wellbeing, bolstering confidence and self-esteem, which impacts school experience, academic performance and participation in sports.

Additional performance metrics: key ESG indicator report online.

>162 tonnes uncontaminated, non-hazardous healthcare waste collected and diverted from landfill since 2018.	**25** Netcare hospitals participate in the initiative, with KwaZulu-Natal hospitals onboarded this year.
>335 000 pairs of shoes manufactured and donated since inception.	**20** drip bags make one pair of school shoes.
13 jobs supported by the entrepreneurial businesses involved in the initiative.	**1.5 tonnes** of GHG emissions abated for each tonne of PVC abated.

MY **WALK**
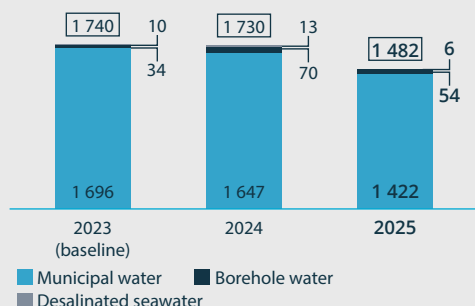MADE WITH SOUL

Minimising freshwater consumption

Given that water security is a critical and likely escalating risk in SA, and that a continuous supply of water is necessary for providing our patients with the best and safest care, our 2030 environmental sustainability targets include reductions in water intensity and overall impact.

We have put key initiatives in place to ensure that we meet this goal, including our water stewardship programme and our water security and risk mitigation strategy. We also aim to increase water recycling and reduce our water needs, environmental impact and demand on the national water supply by implementing water treatment works, particularly groundwater treatment and greywater harvesting and recycling plants. Our stewardship programme drives best practice water management and raises awareness on conservation and our water saving initiatives. All facilities' water consumption is measured and reported, including borehole water consumption. Facility-level targets are set to ensure minimal wastage for the Hospital Division. In FY 2025, we introduced a new water policy aligned with international best practice and increased our focus on recycling water.
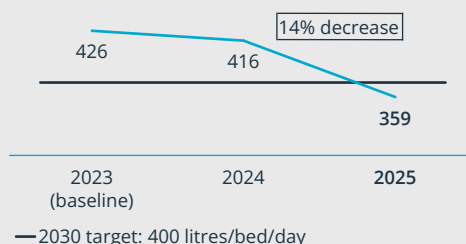
Water saving

Group

Water consumption (megalitres)

2023 (baseline)	2024	2025
1 740 / 10 / 34 / 1 696	1 730 / 13 / 70 / 1 647	1 482 / 6 / 54 / 1 422

■ Municipal water ■ Borehole water ■ Desalinated seawater

Water consumption (litres per bed per day)

2023 (baseline)	2024	2025
426	416	359

14% decrease

— 2030 target: 400 litres/bed/day

Municipal water consumption
14% decrease
to **1 422 megalitres**.
FY 2024: 1 647 megalitres
Note: for all facilities with water meters installed.

Water recycling
25 256 kl
additional year-on-year reduction in water consumed through water recycling and consumption reduction initiatives.
FY 2025 BSC target: 17 000 kl
FY 2024: not comparable

Intensity ratio: total water to revenue
17% decrease
to **54 kl/Rm**.
FY 2024: 65 kl/Rm

Intensity ratio: total water to beds
14% decrease
to **131 kl/bed/year**.
FY 2024: 152 kl/bed/year

2030 targets: 5% reduction in water consumption per bed per day | Significantly reduced impact on the limited freshwater sources in SA

Group water consumption decreased year on year due to an increased focus on operational efficiencies and leak detection. Water intensity ratios also decreased. The year-on-year decrease in borehole water consumption is attributable to lower extraction volumes at one site – an additional borehole has been drilled to supplement supply. We significantly outperformed our FY 2025 water recycling target, largely attributable to the expedited rollout of recycling initiatives and the conservative yield numbers used to calculate expected impacts. We have met and exceeded our 2030 target for reducing water consumption per bed per day by 5% to below 400 litres. Going forward, we will set a new target for this metric and focus on continuing to reduce reliance on municipal infrastructure through water recycling and borehole initiatives.

Total water costs decreased **10.6%** year on year, primarily attributable to reduced water consumption and costs avoided on municipal accounts. Actual water costs for the year were **R118 million**. Projections indicate a **31%** increase to **R154 million** had no sustainability interventions taken place. **R12 million** in costs were incurred on emergency water purchases during municipal outages.

Note 1: municipal water consumption and intensity ratios exclude re-use and borehole water. Municipal water consumption reflects all facilities with water meters installed. Water meters are installed at all Netcare Hospitals and Netcare Akeso facilities.
Note 2: full water recycling efforts were not tracked in FY 2024. Tracking was resumed in FY 2025.

Minimising freshwater consumption *continued*

Hospital Division

We monitor Hospital Division water consumption and intensity as it is a major contributor to Group water consumption. In FY 2025, water consumption for the Hospital Division decreased year on year due to operational efficiencies and a focus on early leak identification efforts. The intensity ratio for the division also decreased.

Note: excludes re-use and borehole water. All hospitals have water meters. FY 2024 numbers updated to include all Hospital Division operations. Previously reported numbers for this metric were for acute hospitals only as they were for items on the FY 2024 Group BSC.

Municipal water consumption
13% decrease
to **1 267 megalitres.**
FY 2024: 1 456 megalitres

Intensity ratio: total water to beds in use
14% decrease
to **128 kl/bed.**
FY 2024: 148 kl/bed

Key water saving initiatives

KEY: ✅ Achieved 🔄 In progress/continuous ⏩ In future

- ✅ Installed smart water metering systems enabling real-time monitoring and enhancing efficiencies.
- 🔄 Operational efficiency initiatives (eg repairing and replacing all leaking taps and fittings).
- 🔄 Efficiently managing onsite laundry facilities and related water recycling initiatives.
- 🔄 Harvesting rainwater for irrigation.

- 🔄 Converting water-intensive HVAC cooling towers to alternative energy efficient technologies that do not require water.
- 🔄 Engaging on water initiatives at facility level and with cleaning and catering suppliers.
- ⏩ Short term: leverage machine learning and IoT[1] capabilities to pilot a cooling tower monitoring initiative to better understand related water consumption and temperature, trends and potential wastage.

Water security and risk mitigation strategy

This strategy currently comprises two phases:

- **Phase 1:** ensuring existing non-compliant operations are compliant, align with municipal bylaws and have secured water use licences and drilling new boreholes while ensuring compliance. Phase 1 is underway at Netcare hospitals and was recently extended to various Netcare Akeso facilities.
- **Phase 2:** constructing and commissioning groundwater treatment works (filtration plants).

A potential third phase of the strategy will incorporate wastewater treatment plants.

The main objectives of the strategy include ensuring continuity of care by reducing our reliance on municipal infrastructure and mitigating short-term risks to our water supply and mitigating the high costs of transporting water to sites in the event of municipal supply failures. While boreholes are an appropriate solution for short-term threats to water security, they are not a sustainable solution for climate change or broad environmental and longer-term water supply challenges. To address this, we must also reduce our water consumption, continue to supplement our water supply with treated wastewater and deliver on the other elements of our environmental strategy.

National borehole rollout progress

- ✅ Completed feasibility studies for **44** Netcare hospitals and **13** Netcare Akeso facilities.
- ✅ Drilled **45** boreholes at **37** Netcare hospitals and **one** Netcare Akeso facility – **seven** boreholes and groundwater treatment works are now in operation.
- 🔄 Securing water use licence agreements for existing and new Netcare hospital sites.
- 🔄 Conducting preliminary work on Phase 2 (eg request for proposals for construction and budget approval processes).
- ⏩ Short term: drilling an additional **18** boreholes at **six** Netcare hospitals and **12** Netcare Akeso facilities.
- ⏩ Short term: commissioning and constructing groundwater treatment works at **four** Netcare hospitals.
- ⏩ Short term: repairing and reinstating existing groundwater treatment works at **five** Netcare hospitals.

1. **IoT:** *Internet of Things.*

Minimising freshwater consumption *continued*

KEY: ✓ Achieved | ↻ In progress/continuous | ⟫ In future

In FY 2025, the strategy required capex investment of **R7 million** (FY 2024: R6 million), with a further **R22 million** earmarked for FY 2026. Roll out during FY 2025 was slower than anticipated due to municipal approval processes, resulting in a lower-than-anticipated capex investment for the year.

The Hospital Division uses municipal water at all sites barring Netcare Alberlito, Netcare Kroon, Netcare Margate, Netcare Pholoso, Netcare Ferncrest and Netcare Greenacres hospitals, which are supplied by both borehole and municipal water. Netcare Greenacres and Netcare Christiaan Barnard Memorial hospitals are already able to operate independently of the municipal network. No water sources are significantly affected by our operations.

Water recycling and wastewater treatment works

Wastewater treatment options and water recycling remain the most comprehensive and beneficial solution for supplementing and securing our water supply while reducing our environmental impact and demand on the national water supply.

These initiatives reclaim and repurpose non-potable water and treat it to potable standards.

Additional performance metrics: key ESG indicator report online.

Key water recycling initiatives

✓ Installed a water recycling plant at our central laundry facility that recycles **80%** of water used in the wash cycle, feeding it back into the system for re-use. This year, the system saved **>28 000 kl**.

✓ Upgraded reverse osmosis systems at National Renal Care units, reducing water wastage by **50% to 70%**.

↻ Conducting a proof-of-concept investigation for wastewater treatment works at Netcare Milpark hospital (blackwater).

↻ Preparing various hospitals for implementing wastewater treatment works (greywater), with full-scale implementation expected in the medium term.

↻ Continuing to investigate water recycling technologies.

⟫ Short term: continue to explore greywater harvesting systems for our facilities, including construction of the Netcare Alberton Hospital greywater treatment plant, which is expected to meet approximately **60%** of the hospital's projected water demands, saving around **50 000 kl** of water annually.

⟫ Medium term: consider scaling up wastewater treatment works initiatives for facilities with high water demand to enhance resilience.

⟫ Longer term: expand desalination, wastewater treatment works and rainwater harvesting projects to reduce reliance on municipal water sources.

03

CARING FOR OUR PEOPLE, PATIENTS AND COUNTRY

1. *Our Communication on Progress is available on the United Nations Global Compact website.*
2. **ISO:** *International Organization for Standardization.*
3. *Detailed descriptions of these targets: page 109.*
4. **GRI:** *Global Reporting Initiative. A GRI index covering our full reporting suite is available on the Netcare investor relations website.*

External commitments, frameworks and standards

- King Report on Corporate Governance for South Africa (2016)
- United Nations Global Compact[1]
- Universal Declaration of Human Rights
- International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- ISO[2] 9001:2015 (Quality Management Systems)
- ISO 45001 (Occupational Health and Safety)

UN SDGs[3]

GRI Standards[7]
2-6 to 8 / 2-25 to 26 and 2-30 /
202-2 / 203-2 / 204-1 / 401-3 /
402-1 / 403-1 to 10 / 404-2 and 3 /
405-1 and 2 / 406-1 / 413-1

Key legislation
- Broad-based Black Economic Empowerment Act 53 of 2003
- Code of Good Practice on the Prevention and Elimination of Harassment in the Workplace
- Companies Act 71 of 2008 and Regulations
- Department of Trade, Industry and Competition's Broad-based Black Economic Empowerment Codes of Good Practice
- Employment Equity Act 55 of 1998
- Labour Relations Act 66 of 1995
- Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000
- Occupational Health and Safety Act 85 of 1993
- Skills Development Act 97 of 1998
- Skills Development Levies Act 9 of 1999

Assurance
Our B-BBEE scorecard and rating are independently verified by Empowerdex. Assurance on financial and certain non-financial performance indicators has been obtained in line with our combined assurance model, with feedback provided to the Risk and Audit committees and the Executive Committee. Non-financial information is assured by internal audit on a cyclical basis.

Scope of reporting
Our data relating to people, training and development, diversity and inclusion, and socioeconomic development (including CSI) initiatives include all Netcare hospitals, Netcare Akeso mental health facilities, Medicross medical and dental centres, Netcare 911 and all other Netcare subsidiaries. All metrics, unless otherwise specified, exclude National Renal Care.

Caring for our people, patients and country continued

This section responds to the following stakeholder concerns

Our patients

- Competent, compassionate and professional healthcare practitioners.
- Affordable healthcare services.

*Read about how we address patient concerns relating to the quality and safety of care patients receive in the **quality report online**.*

Our people

- A safe, caring, compassionate and enabling working environment, and a culture that supports employee wellbeing, human rights, diversity and unity.
- Equal training, development and career progression opportunities.
- Being empowered to provide the best and safest care.
- The impact of digitisation, automation and AI.
- Fair and transparent labour practices.
- Financial wellbeing support in a challenging economic environment.
- Trusted and supportive leadership.
- Working for a responsible corporate citizen.
- Trade unions: remuneration, employee benefits, employment equity, open and transparent negotiations, and engagement on favourable terms and conditions of employment.

Doctors and allied healthcare professionals

- Qualified and experienced nurses.
- Enterprise development support.
- Availability of medicines and consumables.

Private medical funders

- High-quality and cost-effective care delivered by expert healthcare teams.

Suppliers

- Long-term, mutually beneficial relationships.
- Fair and transparent negotiations.
- Supply chain diversification and localisation.
- Preferential procurement from B-BBEE compliant and black-owned suppliers.
- ESD support, including early payment arrangements for SMMEs.

Investors

- Consumer fragility and the challenging socioeconomic context in SA.
- Effective leadership and succession planning.
- Appropriate remuneration and financial and non-financial strategic targets (eg ESG-related metrics in the Group BSC).
- Impact of the NHI Act and associated regulations on private healthcare providers.

Regulators and government

- Nursing skills shortage.
- Increasing pressure on the public healthcare system.
- Cost of and access to quality healthcare.
- The private healthcare sector's role in providing sustainable universal health coverage.
- Employment equity and skills development.
- Socioeconomic reconstruction and youth employment.

Society

- Our active participation in creating better, more sustainable communities.
- Affordable and accessible quality health and care.
- Action to address inequality (including health inequality), unemployment and poverty.

Critical issues

The nursing skills shortage

The WHO estimates the global nursing workforce to grow to 36 million by 2030 and global density to rise to 42.5 per 10 000 population (2023: 37.1). However, growth is expected to be unevenly distributed, further driving unequal access to healthcare[1] and threatening service provision, particularly in the African and Eastern Mediterranean regions. As of 2023, around 78% of the world's nurses were concentrated in countries representing just 49% of the global population[2].

In SA, the nursing skills shortage is characterised by population growth outpacing the rate of new nurses trained. At the end of 2024, the NDoH[3] published their latest data on nursing supply and demand in SA, with projections for 2030[4]. Study findings indicate a potential shortfall of up to 166 000 nurses by 2030. To achieve the projected nurse demand for 2030, SA must train more nursing students and prioritise bachelor's degrees, advanced diplomas and postgraduate diplomas in nursing.

Increased attrition following COVID-19, the retirement of experienced nurses and limitations placed on training numbers during the transition to new nursing qualifications have all impacted the availability of nursing skills in SA. However, as nursing education institutions adjust to delivering the new curriculum, enrolments are increasing, marking a positive step towards resolving the nursing skills crisis. Based on these recent developments, the Group anticipates producing and absorbing sufficient qualified nurses to meet our needs over the next five years.

Despite recent positive progress, the skills shortage remains a challenge for the South African healthcare sector, making it more difficult to attract highly skilled nurses, placing pressure on existing nursing employees and potentially impacting patient care over time. We are, however, confident in the Group's mitigation strategies and response, the results of which are evident in our FY 2025 performance, particularly reduced voluntary employee turnover.

Our response

- Providing a compelling EVP for nurses, enabling us to attract and retain the talent and skills we need: *page 58*.
- Modern, digital platforms that automate recordkeeping and reduce repetitive and intensive administration tasks, enabling nurses to spend more time caring for patients.
- Employee wellbeing initiatives that support our EVP: *page 64*.
- Our five-year nursing plan that focuses on working with key stakeholders to increase enrolments at Netcare Education: *page 70*.
- Accreditation for new HQF[5]-aligned nursing qualifications: *page 70*.
- Professional development opportunities that support career growth for the nurses we employ: *page 72*.
- Remuneration and retention strategies for specialised and highly skilled employees: *page 60*.
- An inclusive working environment: *page 76*.
- Strengthening existing partnerships with universities to facilitate nurse placement at Netcare hospitals.
- Working with provincial health departments to facilitate accreditation of jointly administered programmes.
- Exploring, piloting and implementing alternative models of care to facilitate staffing in a resource-constrained environment (eg flexible nursing models, care coordinator models, nurse-led programmes, unretirement etc).
- Collaborating with the NDoH on key projects, including the nursing differentiation project that culminated in a final workshop where policy analysis and recommendations for reform were presented.

📄 *Our ESG risks and opportunities: page 13.*

1. *State of the world's nursing 2025: investing in education, jobs, leadership and service delivery | World Health Organization (https://iris.who.int/server/api/core/bitstreams/a4173924-a18f-49b6-8bd1-9c2a4a098980/content).*
2. *Nursing workforce grows, but inequities threaten global health goals | World Health Organization (https://www.who.int/news/item/12-05-2025-nursing-workforce-grows--but-inequities-threaten-global-health-goals).*
3. **NDoH:** *National Department of Health.*
4. *Report on Nursing Workforce Shortage: The Nursing Cluster Perspective | National Department of Health (https://www.health.gov.za/wp-content/uploads/2024/12/Report-Nursing-Workforce-Shortage.pdf).*
5. **HQF:** *Higher Education Qualifications Framework.*

Critical issues continued

The South African socioeconomic environment

The IMF projects 3.2% global growth this year (up from 3.0% in July) due to milder-than-anticipated impacts from recent trade tensions. However, the overall outlook remains fragile, with potential risks including renewed trade tensions and global supply disruptions, among others[1].

For SA, we remain cautiously optimistic about the positive trajectory of some key indicators, including three interest rate cuts by SARB[2] (from 7.75% to 7.0%) since the beginning of 2025 and headline inflation expected to remain at the lower end of SARB's target range over the next few years – around 3.4% projected for 2025 and 3.6% for 2026 before reverting to 3.1% during 2027[3]. The GDP outlook is mixed, with the IMF forecasting growth of 1.1% for 2025 (up from its previous forecast of 1.0%) and 1.2% for 2026 (down from 1.3%). This, however, remains well below the average economic growth projected for emerging markets and developing economies (4.1% in 2025 and 4.0% in 2026[1]).

The broader operating environment remains challenging with disposable incomes still under considerable pressure. In addition, SA's official unemployment rate remains high at 31.9% (quarter two: 33.2%) and the data indicate widening inequalities, with race, age, gender, location and education remaining decisive factors in determining individuals' employment prospects. The unemployment rate for young people remains high and steady at 46.1%, and this group remains highly vulnerable[4].

Uncertainty over the Government of National Unity's cohesiveness and stability also has the potential to negatively impact the country's economic prospects and the crucial social reform required to address widespread social inequality and service delivery challenges.

Unfavourable economic conditions negatively impact all Netcare's stakeholders, making it more difficult for patients to afford high-quality health and care; placing employees' incomes under pressure; intensifying the challenges for our smaller suppliers to successfully run and grow their small businesses; and increasing investor uncertainty about SA's and Netcare's prospects.

Our response

- Collaborating with public and private stakeholders to find solutions that address systemic and structural inequalities.
- Our transformation strategy: *page 73*.
- Providing support to employees through our financial wellbeing initiatives: *page 65*.
- Development programmes for young people, including persons with disabilities: *page 72*.
- Supporting local suppliers through preferential procurement and offering targeted support to small suppliers, like those enrolled as beneficiaries on our ESD programme: *page 80*.
- Access to affordable quality health and care through NetcarePlus: *page 74*.
- Through the Netcare Foundation, providing access to healthcare to those who cannot afford it and financial support for specialists and nursing, paramedic and pharmacy students so that they can continue their studies: *page 86*.

Our ESG risks and opportunities: *page 13*.

Read about how we address investor concerns and our financial performance in the **integrated report online.**

Read about the impact of a challenging socioeconomic environment on funder relations in the **integrated report online**.

1. October 2025 World Economic Outlook | International Monetary Fund (https://www.imf.org/en/Countries/ZAF).
2. **SARB:** South African Reserve Bank.
3. Statement of the Monetary Policy Committee September 2025 | South African Reserve Bank (https://www.resbank.co.za/en/home/publications/publication-detail-pages/statements/monetary-policy-statements/2025/september).
4. Quarterly Labour Force Survey | Statistics South Africa.

Critical issues continued

Sustainable universal healthcare

SA remains in urgent need of health system reform and strengthening. The NHI Act, signed into law in May 2024[1], aims to ensure equitable access to quality healthcare by centralising healthcare funding under a state-run NHI Fund and reducing reliance on private medical schemes. According to the Act, NHI-covered services will be free at the point of care for registered users and delivered by accredited public and private healthcare providers, with fees set by the NHI Fund. The Act is explicit on contracting primary healthcare and emergency services from private and public healthcare providers, and hospital services from only public healthcare providers with an option to contract from other providers. Over time, private medical schemes will be limited to offering complementary cover for services not included under NHI.

While no sections of the Act have been proclaimed, the first draft regulations were published in March 2025, outlining the appointment process for the NHI Fund's board, chief executive and advisory committees – these are yet to be gazetted.

There are currently eight separate cases opposing the implementation of the NHI Act brought by various parties, including the HFA[4], SAMA[5], SAPPF[6], Solidarity, BHF[7] and HASA[8]. Due to the number of cases and resultant complexity, the Minister of Health filed an application to 'stay' and 'consolidate' proceedings in July 2025. It is anticipated that the application will be heard at the end of February 2026.

The matter has far-reaching implications for SA, impacting public sector and private sector healthcare facilities as well as healthcare funders, patients and healthcare practitioners, among others.

1. Commencement dates and regulations are still to be gazetted; however, the NDoH (National Department of Health) states that implementation will likely begin in 2030.
2. Established within the NDoH.
3. **PMB:** prescribed minimum benefit.
4. **HFA:** Health Funders Association.
5. **SAMA:** South African Medical Association.
6. **SAPPF:** South African Private Practitioners Forum.
7. **BHF:** Board of Healthcare Funders
8. **HASA:** Hospital Association of South Africa.

Our response

- We recognise the need for universal health coverage and stand ready to collaborate on designing and delivering sound and workable solutions that serve the health needs of all South Africans but remain concerned about the systemic risks of a single NHI Fund.
- Netcare, alongside other private healthcare providers, has the resources and capacity to help government realise the constitutional health rights of all South Africans – we remain resolutely committed to partnering with the government and all relevant stakeholders in a constructive and evidence-led way to create a universal health coverage solution.
- We played a role in developing and advocate for HASA's proposed model mandating medical cover for formally employed individuals (including their families), thereby freeing up public health funds to deliver enhanced, quality care for the informally employed, unemployed and the most vulnerable in our society.
- Recognising that universal health coverage will take decades to fully achieve, we believe that expanding access to quality care through private sector collaboration is essential in the interim.
- Developing a comprehensive government engagement plan that identifies key actions, current relationships and relevant levels at which engagement should take place for the Group to clearly communicate its position on the NHI.

Read further about the NHI and its potential impacts on Netcare in the **integrated report online***.*

Social performance overview

Employment
18 495
permanent employees.
FY 2024: 18 350

7.8%
voluntary turnover. Total turnover decreased to 11.5%[1].
FY 2025 BSC target: 11.8% voluntary
FY 2024: 12.9% voluntary, 16.0% total

R9 764 million
in salaries paid to our employees[2].
FY 2024: R9 286 million

Employee wellbeing
97%
of employees in clinical healthcare settings onboarded onto the medical surveillance programme.
FY 2025 target: 90%
FY 2024: 88%

Succession planning
83.1%
of strategic management and leaderships roles meet talent and succession planning criteria (eg have identified talent ready to transition within a period of between 12 and 24 months).
FY 2025 BSC target: 70.0%

Broad-based black economic empowerment
Level 3 B-BBEE rating
maintained for the fourth consecutive year.
FY 2025 target: Level 3

25%
voting rights held by black people and **15%** by black women.
dtic[6] targets: 25% + 1 (black people), 10% black women
FY 2024: 25% black people, 15% black women

Training and development
R70 million
total training spend (including **R58 million** reported to HWSETA[3] and **R12 million** on clinical scholarships, bursaries and study loan reimbursements) equating to **1%** of payroll.
Skills Development Levy Act target: 1% payroll
SDP 2024[4]: R69 million, R58 million reported to HWSETA

18 617
employees participated in **104 951** training interventions[5].
SDP 2024: 16 554 employees, 85 158 interventions

Taxes
R758 million
income tax paid to government, excluding taxes paid by employees.
FY 2024: R345 million

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1. Includes voluntary turnover.
2. Excludes PPPs and includes agency costs.
3. **HWSETA:** Health and Welfare Sector Education and Training Authority.
4. Calculated for the skills development period (**SDP**) 1 April 2024 to 31 March 2025.
5. Leadership and management training is included in the overall number of employees trained.
6. **dtic:** Department of Trade, Industry and Competition.

Social performance overview continued

Diversity, equity and inclusion

84.4%
of our workforce comprises black employees, **79.5%** are women and **66.8%** are black women.

SA EAP[1]: 92.5% black people, 46.1% women, 42.7% black women

FY 2024: 83.7% black people, 79.8% women, 66.5% black women

50.0%
of senior managers are black, **46.9%** are women and **21.9%** are black women.

FY 2025 BSC target: 50.0% black senior managers

FY 2024: 47.1% black people, 52.9% women, 23.5% black women

93%
of all recruitments and promotions went to black people, **78%** to women and **72%** to black women.

FY 2024: 89% black people, 75% women, 68% black women

57%
of doctors with admissions privileges are black[2].

FY 2024: 55%

Preferential procurement and enterprise and supplier development

R14.3 billion
total procurement spend of which **92% (R13.2 billion)** qualified as measurable under the dtic Codes[3].

FY 2024: R14.3 billion total, 90% (R12.8 billion) measurable

R15.3 billion (117%)
of measurable spend was with B-BBEE compliant suppliers.

FY 2025 target: 123%

dtic target: 80%

FY 2024: R15.3 billion (119%)

R140 million
ESD spend.

FY 2024: R185 million

1 083 jobs
supported by **134**[4] ESD beneficiaries, with **475** new jobs created this year.

FY 2024: 510 jobs (cumulative)

Socioeconomic development

R27 million
total CSI of which **78% (R21 million)** was recognisable under the dtic Codes, equating to **1%** NPAT.

dtic target: 1% NPAT

FY 2024: R25 million total CSI, 72% (R18 million) recognisable

89%
of our CSI beneficiaries are black.

dtic target: 75%

FY 2024: 88%

1. **EAP:** *economically active population.*
2. *Data for doctors with a billed revenue above R300 000.*
3. **dtic Codes:** *Department of Trade, Industry and Competition's Broad-based Black Economic Empowerment Codes of Good Practice.*
4. *Job creation/preservation is tracked for beneficiaries participating in our various support programmes (excluding the early payment programme).*

Our people

Our employees and their collective skills, knowledge and experiences are essential to our ability to deliver on our strategic objectives, ensuring optimal health and care outcomes for our patients.

We place considerable focus on cultivating a positive and engaging employee experience and are committed to nurturing an inclusive and compassion-centred organisational culture that is supportive and welcoming of all our people, enables them to see their work as meaningful and impactful, supports their personal and professional development, and actively opposes all forms of prejudice, harassment and discrimination. We engage with our people to understand and provide for their needs and remunerate them fairly and competitively for their contribution to the Group's strategic, operating and financial performance. We believe this approach fosters loyalty and productivity and improves our ability to attract and retain talent.

The Group's strategy to deliver digitally enabled and data and AI driven patient centred health and care also aims to make the lives of our people and partners on the frontline easier by reducing administrative burden, enhancing the employee experience and improving patient experiences and outcomes. Digitisation is a significant HR enabler, enhancing our focused talent acquisition, development, retention and engagement initiatives and we anticipate that a human-AI collaborative approach will play a pivotal role in the Group's future HR-related projects.

Our focus areas for FY 2025 were centred around our aim of further enhancing our EVP, particularly through digitisation. Targets for talent and succession management and voluntary turnover are included in the FY 2025 Group BSC, with talent and succession management and diversity included in the FY 2026 Group BSC.

Focus areas for FY 2025

Focus area	Key elements	Page
Employee engagement	• Participating in the Top Employers Institute survey to benchmark and clearly communicate our EVP. • Leveraging digitisation to drive employee engagement and enhance employee experience. • Targeted engagement interventions. • Measuring employee engagement through voluntary turnover, performance reviews and other key metrics. • Driving key employee engagement objectives (eg Care and Connect sessions). • Continuing to drive fairness at work initiatives (eg courageous conversations) and constructive trade union engagement. • Fair and responsible remuneration practices.	58.
Employee wellbeing	• A holistic and integrated approach to health and wellbeing, including psychosocial, physical and financial wellbeing initiatives. • The Care4YOU programme. • An approach to OHS that supports overall employee wellbeing, facilitated by our medical surveillance programme.	64.
Training and skills development	• Skills development programmes focused on building core business skills, including nursing, pharmacy, emergency services, digital and IT. • Management and leadership development programmes that build the scarce and core skills we need to create a diverse succession pipeline. • Investment in designated groups and in bursaries, learnerships and internships for employees and young people.	69.
A diverse and inclusive workplace	• Setting targets for racial and gender representation at senior, middle and junior management and skilled worker level. • Monitoring workforce diversity, aligning this with South African demographic profiles. • Disability mainstreaming initiatives. • DEI and belonging initiatives that support an inclusive culture.	76.

Our people continued

Headcount

Permanent employees breakdown	2025			2024	2023	2022	2021
	Male	**Female**	**Total**				
Hospital Division including Pharmacy	**2 350**	**12 242**	**14 592**	14 423	14 704	14 508	14 859
Netcare Cancer Care	**16**	**65**	**81**	77	65	73	64
Netcare 911	**738**	**610**	**1 348**	1 340	1 256	1 176	1 159
Netcare Akeso	**130**	**425**	**555**	549	540	510	484
Primary Care Division: Netcare Medicross	**76**	**649**	**725**	732	770	787	844
Primary Care Division: Netcare Occupational Health	**25**	**70**	**95**	147	127	181	42
NetcarePlus	**14**	**23**	**37**	37	38	28	26
Netcare Diagnostics	**96**	**64**	**160**	–	–	–	–
Head office	**277**	**419**	**696**	843	861	773	684
Total permanent employees	**3 722**	**14 567**	**18 289**	18 148	18 364	18 036	18 136
Public private partnerships	**59**	**147**	**206**	202	204	209	210
Total permanent employees including public private partnerships	**3 781**	**14 714**	**18 495**	18 350	18 568	18 245	18 346

Note: Netcare Diagnostics reported separately as of FY 2025. Previously included under head office. 1 037 permanent employees employed by National Renal Care.

Headcount by division (%)

- Hospital Division including Pharmacy — 79.8
- Netcare Cancer Care — 0.4
- Netcare 911 — 7.4
- Netcare Akeso — 3.0
- Primary Care Division: Netcare Medicross — 4.0
- Primary Care Division: Netcare Occupational Health — 0.5
- NetcarePlus — 0.2
- Netcare Diagnostics — 0.9
- Head office — 3.8
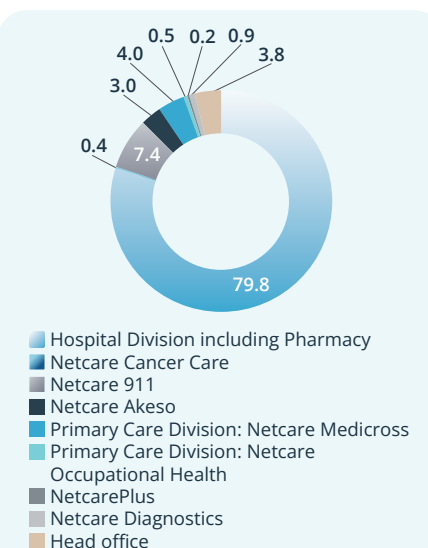
Note: permanent employees only. Excludes National Renal Care.

Key data on our workforce: *key ESG indicator report online*.

Driving employee engagement

Employee engagement plays a key role in our approach to employee attraction, performance, retention and wellbeing, as well as in connecting people with passion and purpose.

We place considerable focus on nurturing a culture that enables our people to engage with and see their work as meaningful and impactful – as a way to connect with our patients and each other while they embark on their own personal and professional development journeys. In turn, we believe this fosters loyalty, productivity and the Group's ability to grow and deliver on our strategic objectives. We strive to distinguish ourselves as an employer of choice by providing our people and prospective talent with an attractive value proposition and believe that understanding and providing for the needs of our people is central to our overall success and our ability to attract the high-calibre people we seek.

Employee engagement initiatives

Employee engagement initiatives

This year, we elected to participate in the **Top Employers Institute survey** to benchmark our people processes against other employers and to communicate our EVP in a highly competitive market. Pleasingly, Netcare qualified for certification as a Top Employer for 2025 and 2026, achieving an average of **80%** – this is well above the **60%** required to qualify for certification. The benchmark comprises **six** key domains, including steer, shape, attract, develop, engage and unite. We performed particularly well on the steer and unite domains, scoring above the global average. The primary reason for lower performance on the shape, attract, develop and engage domains is digitisation of our HR processes, an area where significant progress is already underway (**page 59**). We will use the insights gained from the survey to drive improvements that will enable us to achieve world class HR standards.

*Read further about **Top Employer Certification online**.*

Target engagement interventions

Over the past few years, we have rolled out several initiatives to comprehensively understand employees' experiences of working at Netcare, including an employee engagement survey conducted in FY 2022 that was used to identify nine areas for intervention, and which was the basis for developing our targeted engagement interventions. A dipstick survey conducted in FY 2024 assessed the impact of these interventions across the Group. Based on these findings, we elected to scale up engagement interventions targeting five key focus areas for maximum impact. Current focus areas and interventions are detailed throughout this report and include:

- **Fairness at work:** policy training and awareness (**page 62**).
- **Trust and integrity at work:** training and awareness on workplace bullying and harassment and courageous conversations workshops (**page 62**).
- **Workplace DEI:** various DEI and belonging initiatives and programmes (**page 79**).

- **Relationship with management:** initiatives to enhance leadership-employee communication and engagement (**page 60**), and strategy roadshows and Leadership in Touch Forums.
- **Sense of achievement:** performance management reviews (**page 59**), career mapping and individual development discussions, our gratitude platform and Care4YOU (**page 66**).

Additional engagement initiatives include:
- Negotiations with trade unions (**page 63**).
- Grievance mechanisms (**page 100**).
- Various workshops, roadshows and other interventions that aim to enhance employees' psychosocial, physical and financial wellbeing (**page 65**).
- Ongoing market-benchmarked salary reviews.
- Exit/retention surveys.
- International Nurses Day celebrations.

Driving employee engagement continued

Strategic project: MyNetCareer

The ultimate aim of MyNetCareer is to provide our people with processes and platforms that enable them to take ownership of their career journeys within Netcare, placing their needs and experiences at the centre of our HR processes and elevating the employee experience through digital engagement. When complete, MyNetCareer will provide our employees and businesses with access to a seamless, digital HR experience that includes intelligent analytics capabilities to drive data-informed decisions.

Phase 1 of MyNetCareer was officially launched in August 2025, with various Workday modules now available to all employees, including those relating to core human capital management functions, workforce planning and automated recruiting. Phase 2 is currently underway and will include performance and talent optimisation, absence management, upgrading the payroll system and rolling out a new time and attendance platform. Phase 3 is scheduled for the medium to longer term and will focus on the rollout of the learning and development module and other initiatives (these are in planning phase). The project is expected to be complete by FY 2027. Significant process optimisation, efficiency enhancements and cost savings are anticipated. Change management and training initiatives are in place to drive user adoption. Between August and year-end, **51%** of employees had already engaged with the system, increasing to **70%** of employees by November 2025.

Measuring employee engagement objectives and performance

We measure our employee engagement and performance through performance reviews, turnover rates and absenteeism. In addition to securing Top Employer Certification and successfully launching Phase 1 of MyNetCareer, key employee engagement objectives for FY 2025 included the rollout of Care and Connect sessions and training and awareness sessions on HR policies. Additional engagement objectives relating to health and wellbeing are detailed in another section of this report ().

HR 2030: leveraging digitisation to create a world class people experience:

- Integrated system landscape
- Streamlined core HR processes
- Automated HR functions
- Real-time data and insights
- Employee and manager self-service
- Manager and employee enablement

HR

Employee turnover and performance management

Total turnover	Voluntary turnover	Nurse turnover	First year turnover	Performance reviews
11.5%	**7.8%**	**12.7%**	**8.3%**	**85%**
FY 2024: 16.0%	FY 2025 BSC target: 11.8%	FY 2024: 16.8%	FY 2024: 7.8%	of employees received reviews.
	FY 2024: 12.9%			FY 2024: 61%

Headcount increased **0.8% to 18 495** (FY 2024: 18 350) permanent employees, marking a recovery and stabilisation following a decrease that was primarily attributable to the Two-Pot Retirement System. **2 376** new employees joined the Group, **15** roles became redundant, and **2 135** employees left the Group, primarily due to new employment opportunities and retirements. Total, voluntary and nursing turnover decreased in line with national trends – reducing voluntary turnover was also a key focus for the HR team over FY 2025. First year turnover, however, increased. Absenteeism rates were below sector and SA averages ().

Quarterly performance reviews are conducted for employees at non-managerial level. During this process, line managers engage with their direct reports to set clear and measurable individual performance objectives (aligned with Group, divisional and departmental strategic goals) against which performance is measured. Employees at junior management and above are evaluated for performance against the Group BSC.

Driving employee engagement continued

Additional engagement objectives

Care and Connect sessions

37%

of employees reached.

FY 2025 target: 70%

FY 2024: not recorded

HR policy training and awareness

66%

non-management employees reached.

FY 2025 target: 80%

FY 2024: not recorded[1]

1. *Initiative previously aimed at management.*

Care and Connect sessions were launched in FY 2025 to enhance communication between leadership and employees, providing a platform for them to engage on the Group's strategy and the *Netcare Values and Behaviours*.

Training sessions on HR policies have been rolled out to ensure that employees know and understand how policies are applied, enhancing a sense of fairness in the workplace. They are available online and in-person.

Due to our focus on rolling out the digital HR platform, internal targets for Care and Connect and HR policy sessions were not met for FY 2025; however, they will be prioritised for FY 2026.

Fair and responsible employee remuneration

Our remuneration philosophy ensures that our employees are fairly, reasonably, responsibly and competitively rewarded for their contribution to Netcare's strategic, operating and financial performance. This supports our ability to attract and retain talent at all levels of the organisation and drives a high-performance culture. Remuneration decisions consider individual and team performance as well as values and behaviours that promote the delivery of person centred health and care. We regularly benchmark salaries to ensure that our remuneration policies and practices remain competitive for our sector and use a reputable job grading system to ensure equal pay for work of equal value.

Pay parity

Junior management and below	Middle and senior management	Vertical income analysis
4% to 23%	**11% to 22%**	**9.6 times**
more earned by women than men at this level.	more earned by men than women at this level.	calculated by dividing the top 5% of the Group's earners by the total remuneration of the bottom 5%.
FY 2024: 5 to 25% more	FY 2024: 7.5% to 11.7% more	FY 2024: 9.2 times

The FY 2025 results of our annual income differential analysis reaffirmed that our established practice to ensure that there are no unfair pay differentials based on gender, race or any other social demographics for work of equal value has been maintained. Where differentials exist, we investigate the underlying reasons. Typically, these reasons relate to education levels, work experience and length of service in the role. For gender, the higher ratio at middle and senior management is predominantly due to voluntary and involuntary labour turnover at these levels, most of which were retiring women.

Driving employee engagement continued

Progressively narrowing income gaps

We ensure that remuneration decisions support our commitment to progressively narrow the income gap between the highest and lowest income earners:
- We offer higher annual salary adjustments for employees at the lower end of the pay scale with corresponding lower salary increments for executive directors, prescribed officers and senior executives.
- We pay well-above the legislated minimum wage. Effective 1 March 2025, SA's minimum wage increased from **R27.58** to **R28.79** for each ordinary hour worked. Our minimum wage of **R55.28** per ordinary hour is almost double this.
- Permanent employees at non-managerial levels are remunerated based on their structured package plus benefits, which include employer contributions to retirement fund, medical scheme membership, group life cover, funeral cover and disability benefits. They also receive a guaranteed 13th cheque for each completed 12-month period worked, paid to employees in service on 31 December of each year.
- We offer enhanced maternity and parental leave benefits compared to those prescribed in the Basic Conditions of Employment Act. Our four-month paid maternity leave benefit is at 33% of structured package, and allows the option of a fifth month without pay (the Act legislates four months unpaid maternity leave). We also offer ten days of paid parental leave compared to the legislated ten days unpaid parental leave.
- Uniform allocations are made every 18 months at no cost to employees, and we provide subsidised meals to employees while on duty.
- In October 2019, all employees below executive level were each allocated 3 000 Netcare shares as part of our B-BBEE Employee Share Ownership Scheme.

Attracting and retaining critical skills

We use various strategies to retain employees with scarce and critical skills, including the SIP[1], paying SANC[2] annual professional registration fees for all practising nurses in our employment, as well as the HPCSA[3] annual professional fees for certain permanent employees in emergency services, and permanent dental assistants.

Our nurse value proposition is regularly benchmarked to ensure its competitiveness, and we are exploring the feasibility of more flexible staffing models to accommodate employee needs while still meeting patients' and Netcare's needs. Over FY 2025, we continued to offer nursing employees higher salary adjustments than non-nursing employees, including skills allowances. Higher salary increases were given to qualified registered nurses working in high care as well as intensive care unit, theatre, recovery, maternity and emergency department nursing employees. The skills allowances for nurses in scarce and critical specialist roles were increased, and meal allowances were increased across the board.

More broadly, we continue to focus on how best to meet our employees' needs and are always exploring ways to create benefits for our employees. We offer:
- Flexible remuneration arrangements enabling employees to customise their packages to suit their unique circumstances (eg PayMeNow and access to variable (overtime) earnings before pay day).
- The option for employees to restructure their retirement fund contributions once a year and enable multiple ways for them to configure their take-home pay, tax-free savings contributions, life cover and investment portfolios.

🔗 For additional information on our performance and a detailed overview of benefit coverage and parental leave data, see the **key ESG indicator report online**.

🔗 For additional information on remuneration, see the **shareholder report online: Remuneration report**.

1. **SIP:** Single Incentive Plan.
2. **SANC:** South African Nursing Council.
3. **HPCSA:** Health Professions Council of South Africa.

Driving employee engagement continued

Employee relations

We strive for a harmonious, fair and productive working environment based on transparency, trust and cooperation. We are committed to effectively dealing with issues that impact the employer-employee relationship. As part of our commitment to fostering a culture of fairness, we provide industrial relations training to line managers on matters relevant to the healthcare and legislative landscape, and regularly assess our policies and practices to ensure they remain aligned with best practice and are applied fairly and uniformly across the Group. We equip our line managers with dispute and conflict resolution skills, supporting them to attend to grievances promptly and constructively. We balance our supportive and collaborative approach with disciplinary measures to maintain a culture that promotes good conduct, honesty and integrity at all times.

Our internal disciplinary procedures are governed by our workplace relations policy, SOPs and guidelines. Our employment relations policies are accessible to all employees through the Netcare intranet or onsite HR offices. The employment relations office and senior management are the custodians of our workplace relations policy.

Key initiatives and metrics

Courageous conversations

1 533

line managers and **225** HR practitioners reached through **108** workshops.

FY 2024: 1 151 managers, 174 HR practitioners, 82 workshops (cumulative)

The workshops provide guidance on fair disciplinary management and consistent application of our industrial relations policies, particularly initiating and chairing disciplinary and incapacity enquiries. Initiated in October 2021, the sessions have produced an evident improvement in employee sentiment and will be continued in FY 2026.

GBV[1] workshops

893 (50%)

line managers attended workshops on the prevention and elimination of harassment, discrimination, GBV and bullying in the workplace.

FY 2024: not recorded

The workshops equip attendees to sensitively manage related challenges. For those unable to attend in person, listening to a recording of the workshop is mandatory. At end-September 2025, **79** managers had listened to the recording, bringing total attendance to **972**. Sessions will be rolled out to non-managerial employees in FY 2026.

Labour practice grievances

37

received, **all** of which were resolved by year end.

FY 2024: 37

92 cases were also referred for conciliation in FY 2025 (FY 2024: 69). Mechanisms are in place for employees to report grievances, disputes and complaints. Employees may lodge their grievances informally or formally (eg in writing to an HR manager or via the anonymous SHOUT Line: page 100)

Additional initiatives included rolling out online training workshops for multiple stakeholders on various topics, including our substance abuse SOP, clinical investigations and employment relations policies and procedures on key topics (eg the Disciplinary Code and grievances SOP).

1. **GBV:** gender-based violence.

Driving employee engagement continued

Employee representation

We adhere to the collective bargaining provisions set out in the Labour Relations Act 66 of 1995 and promote ongoing interaction with our representative trade unions. **48.3%** (FY 2024: 48.1%) of permanent employees are union members.

We are committed to proactively engaging with trade unions, identifying barriers to positive and productive employee-employer relationships and resolving these swiftly. We fund **three** full-time shop stewards who assist with employee relations. Monthly union meetings are held between site management and site shop stewards to discuss site-specific labour-related matters. Full-time shop stewards are also invited to monthly regional Hospital Division HR meetings – these provide a forum to address outstanding employment relations matters (escalated from the sites). At a national level, we engage in annual collective bargaining with all recognised unions and hold quarterly national consultative forums to discuss strategic business initiatives and address any unresolved items from wage negotiations. We also hold **three** joint national transformation consultative forums annually to update on our transformation initiatives and progress.

At times, our focus on operational excellence necessitates operational changes that drive efficiencies. We disclose all relevant information related to our proposals to our representative trade unions, providing them with the opportunity to respond to these proposals and make alternative suggestions, and responding to alternative proposals presented by our employees and unions. While our collective agreements with unions do not specify a minimum notice period for employees, we comply with the provisions of the Basic Conditions of Employment Act 75 of 1997.

FY 2025 focus areas

- Held discussions on the Group's financial position, Netcare Medical Aid, funder relations and tariff negotiations, transformation initiatives, and key strategic initiatives for FY 2025.
- Successfully concluded wage negotiations for the period FY 2025/26 with all **three** recognised trade unions within the Hospital Division and the **one** recognised trade union at Netcare Medicross. The same adjustment and benefits were extended to the members of Solidarity, which no longer has majority membership within the Hospital Division, as well as other employees in non-bargaining units (in the interest of promoting fairness and enhancing pay parity).
- Continued engagements on collective bargaining arrangements with unions.
- Progressed engagement on the minimum service agreement. Multiple ESC[1]-facilitated sessions were held over FY 2025, with further progress to be reported in the 2026 ESG report. As members of the private healthcare sector, Netcare is designated as an essential services provider, limiting the risk of industrial action for the Group. The minimum service agreement process is designed to balance our role as an essential services provider with our employees' rights to strike.

We anticipate negotiating with the same unions for the FY 2026/27 period and will continue to prioritise building collaborative, constructive and mutually beneficial relationships with all recognised trade unions.

Additional performance metrics: *key ESG indicator report online*.

1. **ESC:** *Essential Services Committee.*

Supporting health and wellbeing

We strive to ensure that our employees feel safe and cared for at work, supporting them to deliver outstanding and compassionate health and care while building resilience and minimising their risk of emotional exhaustion from working in a demanding sector.

Our people's wellbeing is central to our human capital initiatives, and we remain committed to developing and implementing programmes and projects that embed a culture of care and compassion, and that offer appropriate support for our employees and their immediate family members. We monitor our employees' health and our OHS performance through various initiatives and programmes, including our medical surveillance programme and employee incident and major incident monitoring. These, in combination with our rigorous quality assurance programme, protect the health of our employees.

A holistic and integrated approach to health and wellbeing

Over FY 2025, our HR and consistency of care SHEQ[1] teams in collaboration with various other stakeholders developed and began implementing elements of a comprehensive integrated health and wellness strategy that will come into full effect in FY 2026 (see alongside).

Key focus areas for FY 2025 included conducting engagement sessions with key stakeholders (eg the Netcare Medical Scheme, Momentum and Lyra) to gain insight on employee health and wellbeing trends; using data collected from the SafeCyte[2] and Care@Work apps[3] to identify the top five health risks for Netcare employees (hypertension, increased BMI, mental health and wellbeing, diabetes and musculoskeletal discomfort and injuries (eg back injuries)); developing targeted interventions designed to mitigate these key risks and incorporating them into the FY 2026 strategy; and our medical surveillance programme which includes health screening and health-focused awareness and training sessions during our employee wellness days. We also worked on establishing the foundations for our forthcoming ergonomics programme by conducting training and comprehensive ergonomic risk assessments.

1. *SHEQ: Safety, health, environmental sustainability and quality.*
2. *Our digital SHEQ compliance IT system.*
3. *Our digital occupational health app for Netcare employee clinical records.*
4. *Lyra Southern Africa.*

FY 2026 comprehensive integrated health and wellness strategy

Recognising wellness as complex, dynamic and existing on a continuum, rather than as a fixed or static state, our FY 2026 strategy adopts a holistic and comprehensive approach, aiming to drive preventative and curative interventions that target employees' physical health, mental wellness, emotional balance and social connections. Key focus areas include:

| Leadership development of a holistic wellness narrative and related policies, and driving a culture of wellness at Netcare. | Our medical surveillance programme and ergonomic risk assessments and related programme development and implementation. | Employee wellness days (including continued health screening) and health awareness campaigns and training. | An employee wellness programme focused on psychosocial wellness. This will be administered and managed by Lyra[4]. |

Further detail on the strategy and progress against related objectives will be reported in the 2026 ESG report. Key objectives for FY 2026 include utilising our Big Data analytics platform to enable more in-depth analysis of wellness and SHEQ (including OHS) data, culminating in robust predictive analytics capabilities and more precisely targeted interventions. Our ergonomics programme is in its early stages, and we aim to mature this over time, along with our overall SHEQ capabilities.

Supporting health and wellbeing continued

Key health and wellbeing initiatives for FY 2025

Psychosocial wellbeing

- In partnership with **Lyra**, we offer emotional and psychosocial support to employees and their immediate family members for a range of issues, including legal, health, family, relationship and work-related matters, as well as stress and trauma. Our Lyra app, **the Hub**, is a digital wellbeing application that makes it easier for employees and their families to access a range of employee wellbeing programmes.
- Our **managerial support programme** trains our managers to effectively engage with their teams, resolve conflict, and identify and support employees experiencing specific challenges.
- **Training and development sessions** on managing trauma; mental health, wellbeing and illness; and the emotional impact of work stressors. Educational webinars and awareness sessions are also provided. The workshops and webinars were facilitated by Lyra.
- **CareCall** provides telephonic and face-to-face counselling, group trauma debriefing, and advice and information on everyday challenges and issues. This professional and confidential service is available 24 hours a day, 365 days a year.
- **Care4YOU**: page 66.

- Overall Lyra engagement rate of **37.2%** (FY2024: 25.4%; Lyra SA sector average: 56.4%).
- **70.1%** (FY 2024: 71.2%) of employees who used Lyra accessed professional counselling; mental health challenges remain the largest reported problem category. **10.2%** of cases were formally referred for assistance (FY 2024: 7.7%).
- **1 323** (FY 2024: 1 799) employees and their families provided with counselling interventions.
- **551** (FY 2024: 371) managers used the managerial support programme.
- **738** (FY 2024: 575) employees were reached through training sessions and **1 963** (FY 2024: 721) through webinars.

Physical wellbeing

- **Employee wellness days** in FY 2025 assessed family medical histories, demographic and lifestyle factors and biometric data (eg height, weight, BMI, blood pressure and glucose and cholesterol levels) to identify health risks for individual employees. This enabled us to provide targeted support and interventions that promote overall wellbeing and reduce the risk of various chronic diseases.
- **Netcare Medical Aid** offers employees and their family members access to a range of comprehensive healthcare offerings.
- **Medical surveillance** and incident reporting: page 68.

- **8 907** (FY 2024: 12 342) employees and contractors attended wellness days.
- **84%** (FY 2024: 83%) of full-time employees use the Group's medical aid.

Financial wellbeing

- **PayMeNow**, a platform that enables employees to unlock already earned wages ahead of pay day. Financial education is built into the offering as is access to savings options. The initiative is now in the second phase of piloting and has been extended to more sites.
- Access to variable (overtime) earnings **ahead of pay day**.
- Member awareness sessions on **retirement fund benefits**.
- In partnership with First National Bank, we offer employees **competitive banking solutions** and rates for home loans, vehicle finance and other products and services.

- **1 186** (FY 2024: 356) employees across **12** (FY 2024: 3) sites registered for PayMeNow.
- **2 800** (FY 2024: 2 000 to 2 400) employees on average access variable pay ahead of pay day each month.
- **2 109** (FY 2024: 4 130) employees attended awareness sessions on retirement planning and retirement fund benefits – there was greater interest in the prior year due to the introduction of new legislation on retirement funding.

Supporting health and wellbeing continued

Care4YOU – making compassion a way of living and working

Our flagship Care4YOU programme promotes compassionate care, equipping employees with the skills needed to manage high levels of stress through the practice of compassion, to enhance both their own sense of wellbeing and the patient experience. Care4YOU is extended to our employees, fixed-term contract workers, agency employees and allied healthcare professionals. The programme is delivered via two platforms – the Living and Working Compassionately Journey (online[1], and in person), and our digital gratitude platform. Our **500** (FY 2024: 352) trained, facility-based compassion ambassadors provide support in driving compassionate behaviour and report on how employees are experiencing the programme.

As of FY 2025, all six modules of the Living and Working Compassionately Journey have been rolled out to the Hospital Division, with rollouts underway across the remaining divisions in the Group. Given our implementation progress, we transitioned Care4YOU to a business-as-usual project phase and conducted a pause and reflect survey to enable us to better understand its impact and determine how to maintain the programme's benefits over the longer term.

Care4YOU sessions
>71 000
rolled out since the programme's inception in 2021, **>17 000** in FY 2025.

FY 2024: >53 000, >11 000

Average nurse compassion score
8.36
a **6%** improvement on the FY 2022 baseline and a **1%** improvement on FY 2024.

FY 2024: 8.26; FY 2022: 7.92

Our **gratitude platform** allows patients, visitors and other employees to thank individuals and teams at Netcare for acts of compassion, motivating and reinforcing compassionate behaviours that positively impact patient and employee experiences. We measure impact and progress through the number of cards received and their sentiments. The platform is now also linked to Google Reviews.

Gratitude cards
20 887
gratitude cards received over FY 2025, **95%** with positive sentiments and **5%** neutral or negative[2]. A total of **103 456** cards have been received since the programme's inception.

FY 2024: 28 758, 94% positive

Care4YOU pause and reflect survey findings

A survey rolled out to 2 327 employees and compassion ambassadors found:

83%
of employees and **92%** of compassion ambassadors felt the programme was beneficial to their overall sense of wellbeing and/or their personal or work wellbeing.

42%
of employees and **49%** of compassion ambassadors found the programme extremely valuable with the majority reporting the programme was valuable.

Participants reported
high levels of satisfaction
with the gratitude card initiative.

Twenty focus groups conducted with 200 managers and employees across ten acute hospitals indicated major benefits of the programme were:

- **Relationship** and community building.
- An opportunity to debrief and **heal** after COVID-19.
- A general increase in **empathy** levels.
- Increased **patient satisfaction**.
- Opportunities for **personal growth and reflection**.
- Feeling motivated by **gratitude cards**.

Key challenges reported included time and workload pressures; change resistance; a perceived lack of leadership alignment with programme values; difficulty in sustaining some of the behaviours due to gaps between theory and practice; variable levels of support received, particularly regarding the availability, numbers and turnover of compassion ambassadors; and a loss of momentum in the gratitude programme.

Based on the results of the review, we aim to:

- Reinforce existing content rather than introduce new modules.
- Provide further opportunities to practise module-related skills (eg micro-learning opportunities, tips and reminders and small compassionate daily actions).
- Emphasise themes relating to boundary setting, holistic wellbeing, conflict management, civil and respectful communication and leadership engagement.
- Re-energise the gratitude programme through increased promotional activity.

1. *Via our digital training platform, Insight.*
2. *Negative sentiments received via the gratitude programme are managed through our complaints management processes.*

Supporting health and wellbeing continued

OHS

Our approach to OHS supports our focus on holistic employee health and wellbeing while ensuring appropriate risk management and compliance with key regulatory requirements. It creates value for the Group and our employees by ensuring greater workplace safety, reducing occupational injuries and diseases and absenteeism, thereby enhancing productivity and ensuring legislative and regulatory compliance. OHS is integrated into our SHEQ system and is overseen by the Consistency of Care Committee. Compliance is managed through our digital SHEQ compliance IT system, SafeCyte.

OHS is ultimately underpinned by our medical surveillance programme that enables us to identify occupational hazards or risks, aiming to reduce workplace injuries and occupational diseases; assess employee fitness for duty against identified occupational risk profiles; and implement appropriate deployment and mitigation strategies for employees who are at risk. The surveillance programme and Care@Work are fundamental enablers of our holistic and integrated wellness programme and related FY 2026 strategy.

Focus areas for FY 2025 and FY 2026 include supporting the design and implementation of psychosocial and physical wellbeing interventions aligned with the aims of the FY 2026 strategy; implementing the FY 2026 strategy; continuing to onboard employees onto our medical surveillance programme; conducting ergonomic risk assessments (for report-back in FY 2026); employee incident management, particularly enhancing measurement of the Group's top two risks (slips, trips and falls, and sharps and splashes[1]); benchmarking employee incident rates for comparative analysis; and enhancing incident rate and lost time injury frequency rate measurement. We deferred SHEQ dashboard development this year to prioritise migrating data onto our Big Data analytics platform, which will enable us to harness the full potential of predictive analytics and reporting.

We continue to ensure that employee incidents are accurately recorded on SafeCyte; conduct trend analyses to identify emerging OHS risks and opportunities for improvement; and to improve liability accepted for COID[2] claims.

Our collective agreements with representative trade unions include OHS[3]. Onsite shop stewards act as union representatives in our Health and Safety committees, enabling them to discuss health and safety issues in the workplace (page 63).

1. Needlestick injuries and bodily fluid contact.
2. **COID:** Compensation for Occupational Injuries and Diseases, in line with the COID Act.
3. OHS agreements are updated annually as part of the broader trade union agreement on terms and conditions of employment.

Supporting health and wellbeing continued

Key OHS performance

Medical surveillance programme	SHEQ training attendance	Number of employee incidents	Employee incidents severity	Employee incidents breakdown	Employee incident rate	Lost time injuries frequency rate	Average absenteeism rate
97%	**4 365**	**1 049**	**90%**	**50%**	**3.85**	**1.02**	**2.6%**
of employees onboarded since 2022.	employees attended training sessions, including on OHS[2].	reported across the Group, **82% (863)** for the Hospital Division.	categorised as insignificant or minor.	relate to slips, trips and falls and sharps and splashes.	per 200 000 hours worked.	per 200 000 hours worked (Hospital Division).	FY 2025 target: 2.4%
FY 2025 target: 90%[1]	FY 2024: 3 665	FY 2024: 1 054, 83%	FY 2024: 90%	FY 2024: 55%	FY 2024: 4.47	FY 2024: 0.51	FY 2024: not recorded
FY 2024: 88% (cumulative)			*Note: 1% of incidents categorised as high to major risk.*				

The majority of employees working in clinical healthcare settings are now onboarded onto the medical surveillance programme and baseline medicals are routinely performed when onboarding new patient-facing employees and when these employees exit the organisation. Routine medicals are also performed for employees on a two-yearly basis, unless risk profiles indicate a need for greater frequency. Employee incident rates at Group level decreased but lost time injury frequency rates for the Hospital Division increased – this measure is undergoing refinement and is currently based on leave hours allocated to employees booked off for more than three days due to more severe injuries. It is currently subject to line managers consistently and correctly logging time off due to severe injuries. We will continue to enhance reporting on both metrics in the short to medium term.

At **594** (FY 2024: 625), injury on duty claims submitted to the Compensation Fund for the Hospital Division remained relatively stable, with liability for **77%** (FY 2024: 89%) of these cases accepted for FY 2025 thus far. Internally, we measure this metric on a two-year basis as the Compensation Fund can take some time to process claims, affecting our actual performance against this metric. The two-year average for FY 2024/25 was maintained at **83%**. The prior year number for cases and liability accepted changes year on year as cases are processed.

We promote a 'safe to report' culture that encourages employees to report incidents so that we can use robust data to inform safety interventions. Our incident reporting includes Netcare and non-Netcare employees. We marginally missed our internal target for absenteeism this year but remain below the global average for the healthcare and social work sector of 4% to 6%[3] and the South African average of 3.5% to 6%[4].

Additional performance metrics: key ESG indicator report online.

For a detailed account of our OHS performance and practices, particularly with reference to the SHEQ function, our quality management systems and our Office of Health Standards Compliance requirements, please see the quality report online.

1. *Amended from 100% to cater for labour turnover – an outperform target of 96% and a target of 90% were considered more realistic.*
2. *Training numbers represent total number of employees attending total sessions, including employees that have attended multiple sessions. Individual attendance is not tracked.*
3. *Absenteeism Benchmarks by Industry: What's a "Normal" Rate? | Schedule Leave (https://scheduleleave.com/blog/absenteeism-benchmarks-by-industry-whats-a-normal-rate/).*
4. *Absenteeism in South Africa Is About More Than Just Access to Healthcare | Cape Business News | August 2025 (https://cbn.co.za/industry-news/health-safety-news/absenteeism-in-south-africa-is-about-more-than-just-access-to-healthcare/).*

Developing and managing talent

Our approach to human capital development strikes a balance between ensuring that our people are adequately skilled to deliver Netcare's strategy (including providing outstanding levels of care) and meeting our transformation objectives.

Our skills development priorities for SDP 2025[1] to SDP 2029 include continuing build core business skills through structured formal qualifications in nursing[2], pharmacy and emergency services; strengthening data, analytics and IT skills in line with the Group's maturing digital capabilities; advancing the skills and competencies of our IT, finance, administration and support services employees; building management and leadership capacity; providing opportunities for unemployed young people and persons with disabilities through various vocational programmes, retaining them upon programme completion; and driving male inclusion through technical apprenticeships and workplace-integrated learning programmes for recent graduates. We also invest in CPD[3] programmes for our clinical professionals to ensure their skills and training remain current. This approach enabled us to meet and exceed our planned skills spend of R50 million for SDP 2025.

Read about the nursing skills crisis: **page 51**.

Our spend reflects our priorities, with the bulk directed towards developing healthcare practitioners, particularly registered nurses, paramedics and pharmacist practitioners. Our six-month in-service nursing certificate programmes ensure that our nurses are fully equipped to care for our patients and deliver the best and safest person centred care.

Many of our current courses are delivered using a blended approach where face-to-face or on-the-job training programmes are augmented by digital content (in the form of webinars, videos and other online teaching and learning materials), a trend that will continue to accelerate over the short to medium term[4].

Training spend metrics

Direct training spend by category (SDP 2025) (%)

42 | 41 | 8 | 9
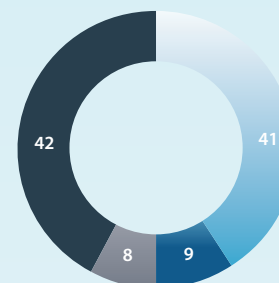
- Formal nursing training (SDP 2024: 55%)
- Management and leadership development (SDP 2024: 8%)
- Emergency and critical care training (SDP 2024: 7%)
- CPD and other training (SDP 2024: 30%)

Our total training spend included a **R58 million** (SDP 2024: R58 million) direct spend reported to HWSETA, an additional **R9 million** (SDP 2024: R11 million) spend on clinician scholarships through the Professor Bongani Mayosi Netcare Clinical Scholarship administered by the Physician Partnership Trust (**page 75**), and a **R3 million** spend on nursing, paramedic and pharmacy student bursaries (reported under CSI (**page 86**)), bursaries for employees' children and study loan reimbursements for employees.

Total training spend

R70 million

equating to **1%** of payroll.

Skills Development Levy Act target: 1% of payroll

SDP 2024: R69 million

Majority spend

50% (R29 million)

of direct training spend invested in nursing and emergency services (formal, structured NQF-aligned qualifications and courses).

SDP 2024: 62% (R36 million)

Employees trained

18 617

employees (including **1 495** current and future leaders) participated in **104 951** training interventions.

SDP 2024: 16 554 employees, 85 158 interventions

The increase in CPD and other training and decrease in nursing and emergency services training spend is due to limitations on nursing student enrolments and an increased focus on upskilling non-nursing employees.

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1. Our training metrics are calculated for SDP 2025 which runs from 1 April 2024 to 31 March 2025 per the Health and Welfare Sector Education and Training Authority (HWSETA) measurement year.
2. Our nursing qualifications are accredited by the SANC and aligned with the National Qualifications Framework (NQF).
3. **CPD:** Continuous professional development.
4. Courses that benefit from group participation (eg our management and leadership programmes) will continue to be conducted in-person.

Developing and managing talent continued

SDP 2025 focus areas and performance

Nursing and emergency care

Average number of nurses enrolled on formal, SANC[1]-accredited nursing programmes	Nurses enrolled on six-month in-service programmes	National Renal Care nephrology course enrolments	Pharmacy assistant learnership enrolments	Accredited qualifications
747	**223**	**4 244**	**63**	**5**
525 are new intakes.	including for emergency care.	nurses attended nephrology in-service training.	pharmacy interns and **two** students enrolled.	Netcare Education undergraduate and postgraduate qualifications fully or conditionally accredited by SANC.
SDP 2024: 655, 200 new entrants	SDP 2024: 297	SDP 2024: 2 251	SDP 2024: 74 interns and 15 students	SDP 2024: 2 (cumulative)

To address the critical nursing skills shortage and its impact on the Group, Netcare Education has developed a five-year nursing plan (SDP 2025 to SDP 2029) which aims to gradually increase the number of nurses enrolled at the institution over the longer term, recovering to **around 2 000** enrolments by SPD 2029. The primary means for achieving this include:

- Engaging with key stakeholders and regulators to increase the number of students we can train – as of SDP 2025, we have increased the number of students we can train from around **300** in SDP 2023 to around **600** as of SDP 2026.
- Applying to SANC for accreditation of additional undergraduate and postgraduate nursing qualifications.
- Leveraging Netcare Education's digital NNCPD[2] system to meet the SANC nursing CPD requirement, which will soon become a minimum requirement for annual nursing licence renewals (currently being phased in – Phase 1 is complete).

During 2025, Netcare Education campuses were granted accreditation to deliver the HQF-aligned[3] nursing qualifications designed to respond to the need for highly skilled nurses capable of meeting the demands of a complex healthcare system, improve patient care and professionalise nursing. Netcare Education is the first private institution to be granted accreditation for the Postgraduate Diploma in Adult Critical Care Nursing. Accreditation for the Advanced Diploma in Midwifery and Postgraduate Diploma in Emergency Nursing is pending. Our focus for SDP 2026 includes increasing enrolments onto our formal undergraduate and postgraduate nursing qualifications, with a student intake for postgraduate nursing courses for January 2026 of **over 750** new students.

CPD

Employees attending CPD courses
6 864
including **1 845** who attended CPR courses.
SDP 2024: 7 850

Nursing employees onboarded on to the NNCPD digital system
10 993
FY 2024: not recorded

The digital NNCPD system launched in October 2024 is recognised by the SANC CPD committee as a leader in nursing CPD in SA. The initiative is driven by nursing teams and designed to integrate CPD into daily practice, improving quality of care, clinical confidence and job satisfaction. The system offers **164** accredited learning opportunities, all of which undergo rigorous quality checks to ensure relevance and impact. HR policies support onboarding and orientation processes for nursing employees. The system has also begun to roll out training on mental health and chronic conditions impacting Netcare employees, supporting the FY 2026 comprehensive integrated health and wellness strategy (**page 64**).

Eight Netcare hospitals were selected by SANC for phased-in implementation, with all nursing service managers, deputy nursing managers and unit managers at these sites successfully attaining the required CPD points. A compliance rate of **85%** was achieved, a reflection of the commitment of our nursing employees and the strength of our quality assurance processes. Phase 1 is now complete, SANC feedback on Phase 2 received and the digital NNCPD system implemented for all nursing employees across the Group.

1. **SANC:** South African Nursing Council. Metric includes 207 permanent Netcare employees as well as fixed term contract workers and students.
2. **NNCPD:** Netcare Nursing Continuing Professional Development.
3. **HQF:** Higher Education Qualifications Framework.

Developing and managing talent continued

Other training

Our diversified education, training and development plans ensure that we provide adequate opportunities for those in non-nursing roles. Key focus areas for SDP 2025 and SDP 2026 include:
- IT and data management: business analysis and end-user requirements, healthcare analytics, data governance and cybersecurity, basic machine learning and coding skills, data analysis statistics, and the use of various related platforms and systems.
- Technical and engineering: trade test preparation, clinical equipment technical internships, millwright workplace experience programmes, and HVAC, basic plumbing and handyperson skills etc.
- Training for finance, administration and support services employees: South African Sign Language, isiZulu, customer centricity, presentation and report writing etc.

Non-nursing employee training

196

participated in IT and data management training and technical apprenticeships and workplace-integrated programmes. **39%** were male.

SDP 2024: not recorded

311

participated in training relating to finance, administration and support services.

SDP 2024: not recorded

Management and leadership development

Managers enrolled on a development programme

332

over SDP 2025. **86%** are black managers, **75%** are women, and **66%** are black women.

SDP 2024: 313

Direct training spend on management

86%

invested in management and leadership development benefitted black employees.

SDP 2024: 85%

Succession planning

83.1%

of strategic management and leadership roles meet talent and succession planning criteria (eg have identified talent ready to transition within a period of between 12 and 24 months).

FY 2025 BSC target: 70.0%

Our suite of leadership programmes develops the key behavioural traits and abilities we expect of our current and future leaders, building the scarce and core skills needed to create a diverse succession pipeline.

Key programmes include:
- The expert negotiator programme, designed for executive and senior leadership as well as key procurement team members.
- The Netcare Leadership Development programme, a health systems management programme for middle management.
- Our suite of management development programmes developed for junior managers – these build managerial acumen and the behavioural competencies required of our managers.
- ***Leading the Netcare Way***, a programme designed for nursing and other managers that focuses on developing emotional intelligence, personal mastery, resilience and leadership skills.

Additional programmes in place related to developing mentorship, coaching and leading with compassion skills, among others. Feedback received on our leadership and management programmes indicates that they are well received.

A key focus during FY 2025, was on identifying talent for strategic management and leadership roles, ensuring that individuals are ready to transition within the next 12 to 24 months. As of September 2025, we had exceeded our target for identifying talent for succession planning and began mapping development pathways for these individuals (eg mentoring and coaching).

Developing and managing talent *continued*

Training spend that supported our transformation objectives in SDP 2025

Direct training spend by employment level (SDP 2025) (%)
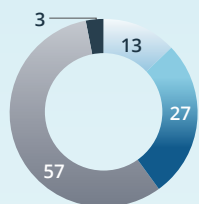
- ■ Unskilled workers (SDP 2024: 26%)
- ■ Semi-skilled workers (SDP 2024: 26%)
- ■ Skilled technical and qualified workers, junior managers, supervisors, foremen and superintendents (SDP 2024: 43%)
- ■ Professionally qualified and experienced specialists and middle managers (SDP 2024: 5%)

Direct training spend on designated groups

Invested in developing black employees

R52 million (90%)

SDP 2024: R50 million (86%)

Invested in developing black women

R41 million (71%)

SDP 2024: R42 million (73%)

Invested in developing women

R46 million (79%)

SDP 2024: R49 million (84%)

Invested in developing employees with disabilities

R1 million (2%)

SDP 2024: R5 million (9%)

Our training spend continues to compare favourably with the demographic representation of our workforce and aligns closely to the national EAP[1], affirming our commitment to building a Netcare that is inclusive of all South Africans.

The over-arching aim of our skills development strategy is to align our skills development spend with our Group employment equity objectives for 2026 and beyond.

Our training spend for employees with disabilities declined as we did not enrol new Sinako learners during the reporting period, instead focusing on ensuring those already enrolled successfully exited.

1. **EAP:** *Economically active population.*

Additional performance metrics: **key ESG indicator report online**.

Bursaries, learnerships and internships

Bursaries, learnerships and internships play a key role in ensuring our workforce remains appropriately skilled, providing our people with opportunities for professional development and enabling Netcare to play a part in addressing the critically high levels of youth unemployment in SA:
- In partnership with HWSETA, we fund learnerships, internships, bursaries and workplace experience programmes for our employees and unemployed youth.
- The Netcare youth training and employment programme provides opportunities for young, unemployed South Africans. To ensure greater likelihood of converting enrolments into gainful employment, we align the learnerships with the Group's needs (eg HR, IT, finance, pharmacy, nursing etc).
- We drive disability mainstreaming through our Sinako programme, which provides learnership opportunities to Netcare employees and young persons with disabilities, enabling them to enrol for NQF-registered programmes and programmes focused on developing scarce skills within our sector.
- We also run a variety of internships, workplace experiential learning and learnership programmes that enhance employment opportunities for young people and are awaiting HWSETA approval to roll out pharmacy, HR, IT and financial management internships – recruitment is underway.
- The Netcare Nursing Scholarship, funded by the Physician Partnership Trust was also established in FY 2025 (**page 75**).

Netcare youth training and employment programme

1 738

learners enrolled on learnerships since 2018.

1 293

learners have completed their learnerships, **94%** of whom are gainfully employed (**64%** at Netcare).

109

learners enrolled in SDP 2025.

SDP 2024: 215

Sinako programme

Enrolments paused to successfully exit existing participants. **7** participants were still enrolled in SDP 2024.

Bursaries for employees and young people

R21 million

invested in bursaries for employees and unemployed young black people.

SDP 2024: R18 million

5

high-performing employees and students were awarded bursaries in line with their career development objectives (funded by HWSETA).

SDP 2024: 19

Our social transformation imperatives

We are committed to supporting and participating in the transformation of SA, and to playing a key role in ensuring that our society, economy and labour market are inclusive, promoting human dignity, equality and fairness.

Our approach to transformation

We acknowledge our responsibility to build a more inclusive and definitively equal SA for all and stand ready to work together with policymakers, government, NGOs, NPOs, the public healthcare system, healthcare associations, trade unions and society to find solutions that address the systemic and structural inequalities in SA, ensuring that we continue to build on our ability to be a force for social good.

Our transformation strategy and related initiatives are rooted in a social justice framework. They aim to tackle the systemic and structural inequalities arising from South African and global histories. Our emphasis is on upholding human rights, striving towards the Millennium Development Goals, adhering to the ILO's[1] declaration for decent work, working with SA's evolving macroeconomic development strategies, and shifting focus from shareholder to stakeholder capitalism.

We are committed to adhering to both the explicit and implicit principles of the Constitution of the Republic of South Africa (1996), considering it a crucial bridge between social justice ideals and the regulations formulated to actualise these ideals.

1. **ILO:** *International Labour Organization.*

Our transformation plan for 2021 to 2026

Pillar	Objectives	Page
Ownership	• Maintain black and women ownership. • Generate value for the beneficiaries of, and support community empowerment through, our B-BBEE share schemes.	📄 75.
Leadership and workforce diversity	• Ensure racial and gender diversity in our workforce and leadership structures. • Promote social cohesion by tackling discrimination in the workplace.	📄 76.
Skills development	• Increase our skills spend on black people against leviable amount. • Provide bursaries and development programmes for high-performing employees. • Continue offering vocational learning opportunities for unemployed young people, including persons with disabilities.	📄 69.
Procurement and ESD	• Support SMMEs by diversifying our supply chain.	📄 80.
Socioeconomic development	• Increase access to quality health and care for indigent South Africans.	📄 84.

Our social transformation imperatives continued

FY 2025 transformation performance

We have maintained our Level 3 rating for a fourth consecutive year, narrowly missing our targeted score due to a decrease in our score for ownership as a result of a decline in institutional shareholding. We did, however, improve our total score and scores for management control, skills development and procurement. Our focus continues to be on maintaining and deepening transformation in these areas as well as improving diversity at executive and senior leadership levels, progressing diversity at middle management level, cultivating an inclusive and supportive organisational culture, improving our preferential procurement spend on EMEs and QSEs, enhancing our ESD performance, and continuing to drive our human capital development initiatives. A target for improving racial representation at senior management level is included in the FY 2025 Group BSC, with targets for racial diversity at middle management level included in the FY 2026 Group BSC.

Our progress is guided by and measured against our B-BBEE scorecard

Dimension	Weighting	Target	**2025**	2024	2023	2022	2021
Ownership	25	20.39	**20.29**	20.39	21.54	21.80	21.24
Management control	19	12.71	**12.28**	12.07	11.10	11.39	11.05
Skills development	20+5	11.00	**10.99**	10.62	10.19	9.87	9.68
Procurement	27+2	26.47	**26.42**	26.34	26.14	25.07	24.12
Enterprise development	5+2	7.00	**7.00**	7.00	7.00	7.00	7.00
Supplier development	10	10.00	**10.00**	10.00	10.00	10.00	10.00
Socioeconomic development	5	5.00	**5.00**	5.00	5.00	5.00	5.00
Total score	111+9	92.57	**91.98**	91.42	90.97	90.13	88.09
B-BBEE Rating	1	3	**3**	3	3	3	4

Note: the Group achieved a Level 2 rating in FY 2014, but this dropped to Level 8 when the dtic Codes were revised. We have since been working to improve our rating under the revised Codes, achieving a Level 5 rating in FY 2018, Level 4 rating in FY 2021 and a Level 3 rating in FY 2022.

Access to affordable private healthcare

Our strategy explicitly commits us to pursue a more just and equitable society that is inclusive and upholds human dignity. We support SA's intention to reconstruct society and the economy to be more inclusive of people who remain disadvantaged, particularly as this pertains to health equity.

NetcarePlus offers innovative healthcare products and funding solutions designed to make high-quality private healthcare accessible to a broader segment of SA's population – those who are uninsured, not covered by medical aid or on network options where Netcare is not a designated service provider. By providing these solutions, NetcarePlus helps alleviate pressure on the public health system.

Available through multiple channels, including the Netcare App, the product portfolio includes a wide variety of offerings tailored for a specific target market.

NetcarePlus reported a **36%** growth in insured lives compared to last year.

NetcarePlus product offering
- **Emergency medical cover:** accident cover for the uninsured, ensuring private healthcare treatment in the case of a life threatening injury or emergency medical illness (eg strokes and heart attacks). Cover includes emergency surgery, unlimited emergency treatment, hospitalisation, outpatient treatment at an emergency department and a daily payment of R1 000 to assist with household expenses.
- **Gap cover:** three GapCare options, each designed for a different demographic, including families and pensioners, young families and students and employees. Covers in and out-of-hospital specialist fees, access to all Netcare's facilities and other hospitals, emergency cover for injuries and illnesses, maternity shortfalls etc.
- **Prepaid healthcare vouchers:** prepaid vouchers for GP, optometry and dental consultations. The vouchers provide easy access to quality, private day-to-day healthcare at an affordable cost.
- **Planned medical procedures:** prepaid options for various surgeries, including eye; ear, nose and throat; urological; musculoskeletal; gynaecological and general. The procedures are available at selected Netcare hospitals at a once-off cost that includes post-operative care. It also offers, an add-on benefit that provides a lumpsum payout for pregnancies.
- **Corporate offerings:** EmployeeCare an employee wellness programme powered by Lyra and PrimaryCare, a primary healthcare insurance solution for corporates.

B-BBEE ownership benefiting communities

As a listed entity, the majority of the Group's B-BBEE ownership rating is derived from mandated investments that are independently analysed for black and black women ownership on a flow-through basis.

Ownership is also derived from our B-BBEE scheme held in the HPFL initiative[1], which hosts our employee share ownership scheme. Our other trusts hosted by the HPFL initiative contribute to socioeconomic development and skills development for B-BBEE purposes.

The voting rights of black people, black women, black beneficiaries of broad-based schemes and new entrants compares well to the prescribed dtic[2] threshold. While we exceed dtic threshold requirements for the economic interest in the entity to which black women are entitled, we lag the dtic target for black people.

Ownership metrics

Voting rights	Shares in issue	HPFL B-BBEE trusts beneficiaries
25%	**R1.4 billion**	**R11 million**
held by black people and **15%** held by black women.	**96%** of which are mandated investments monitored for black and black women ownership. The remaining **4%** comprise HPFL and Treasury shares.	distributed to beneficiaries through the HPFL B-BBEE trusts over FY 2025.
dtic targets: 25% + 1 vote for black people and 10% for black women		FY 2024: R7 million
FY 2024: 25%, 15%		

HPFL B-BBEE trusts

The trusts were established to support designated groups and communities and are reflective of our commitment to building a transformed SA characterised by values of social and economic equality and inclusion for all. Each with its own board of trustees, our trusts create value opportunities for beneficiaries via exposure to our share price performance, ensuring that our people and communities benefit when we perform well.

*Additional performance metrics: **key ESG indicator report online***.

The Patient Care and Passionate People Trust
- Established in 2019 and comprises **61 million** Netcare shares maturing in 2029.
- **20 370** employees benefited, excluding executives.
- Shares were issued at a **20%** discount.
- Participants receive a trickle dividend with the balance used to service scheme debt.
- Strengthened the ownership component of our empowerment rating.

The Physician Partnership Trust
- Supports clinical academic excellence through scholarships.
- Professor Bongani Mayosi Netcare Clinical Scholarship funds black clinical doctoral scholars. Since inception, **R98 million**[3] has been disbursed to fund **27** clinicians, **17** of whom have graduated.
- Established in FY 2025, the Netcare Nursing Scholarship was awarded to **two** students.

*The clinical doctoral scholarship contributes to our skills development spend: **page 69***.

The Mother and Child Trust
- Funds impactful community-based initiatives that uplift women and children.
- In FY 2025, the Trust approved **R1 million** to fund the Netcare Sexual Assault Crisis Centres. This is in addition to the **R2 million** in funding approved in FY 2024 for expanding the Cotlands mobile toy library initiative.

*Read about the impact our funding had in FY 2025: **page 84***.

The Healthy Lifestyle Trust
- Focuses on initiatives that support the physical and mental health and wellness of South African communities.
- In FY 2025, the Trust approved a further **R2 million** for the SADAG Diepsloot and Ivory Park counselling containers and teen depression and suicide prevention school outreach programme.
- The Trust also approved **R1 million** for Netcare Foundation healthcare accessibility initiatives, specifically cochlear implant beneficiaries in FY 2024 – this was disbursed in FY 2025.

*Read about the impact our funding had in FY 2025: **page 84***.

1. **HPFL:** Health Partners for Life, established in 2005 through the transfer of 160 million Netcare shares valued at R1 billion.
2. **dtic Codes:** Department of Trade, Industry and Competition's Broad-based Black Economic Empowerment Codes of Good Practice.
3. Due to the scholarship's skills development focus, we report and claim this spend under skills development rather than ownership even though the scholarship is administered under the Trust.

A diverse and inclusive workplace

Our workforce profile and broader socioeconomic transformation strategy reflect our belief in redressing inequality, deepening diversity and advancing human potential.

We continue to strive to improve demographic representation, further aligning our workforce with the national and respective provincial EAPs[1] while also providing opportunities for young people and persons with disabilities to enter the workforce (page 72).

While we report on diversity and transformation targets at the Group level, each division also has specific transformation targets against which performance is measured annually.

Employment equity sector targets

The amended Employment Equity Act is now in effect, with numerical targets set for designated groups (black people, women and persons with disabilities) for the top four occupational levels across sectors. As a designated employer operating in the healthcare sector, Netcare has developed a new five-year plan for 2026 to 2030. The new targets will be included in our annual employment equity reports scheduled for submission to the DoEL[2] before 15 January 2026. While our 2026 employment equity plan targets put us ahead of our peers and the average for private sector performance, a healthcare gender profile skewed towards women presents complexities that the DoEL has confirmed to be sufficient justifiable grounds for not meeting prescribed sectoral gender targets.

*Note: **HSR** refers to human health and social work sector representation according to the 25th Commission for Employment Equity Annual Report (2024/25). Board and executive diversity numbers reported per Empowerdex verification. Executive management percentages and graph are presented excluding the CEO and CFO as they are accounted for under Board diversity.*

1. ***EAP:** economically active population. EAP statistics drawn from the 25th Commission for Employment Equity Annual Report (2024/25).*
2. ***DoEL:** Department of Employment and Labour.*

Leadership and management diversity

Board diversity (number)
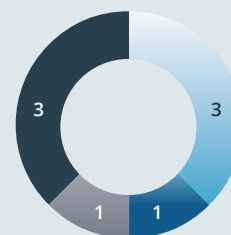
- Black women
- Black men
- White women
- White men

Executive Committee diversity (number)
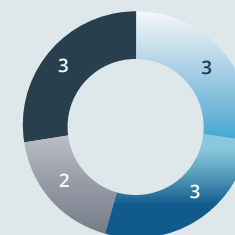
- Black women
- Black men
- White women
- White men

Black South African

50.0%

dtic target: 50.0%

FY 2024: 50.0%

Women

50.0%

FY 2024: 50.0%

Black women

37.5%

dtic target: 25.0%

FY 2024: 37.5%

Black South African

54.5%

FY 2025 target: 48.0%

dtic target: 60.0%

HSR (top management): 41.8%

FY 2024: 50.0%

Women

45.5%

HSR (top management): 43.0%

FY 2024: 50.0%

Black women

27.3%

dtic target: 30%

HSR (top management): 20.9%

FY 2024: 37.5%

A diverse and inclusive workplace continued

Leadership and management diversity continued

Senior management

Aim: create greater racial and gender diversity at executive leadership and senior management levels.

Black South African
50.0%
FY 2025 BSC target: 50.0%
HSR: 57.1%
FY 2024: 47.1%

Women
46.9%
FY 2025 target: 54.8%
HSR: 61.5%
FY 2024: 52.9%

Black women
21.9%
FY 2025 target: 25.0%
HSR: 33.7%
FY 2024: 23.5%

Middle management

Aim: continue to align racial diversity more closely to the SA EAP.

Black South African
62.4%
FY 2025 target: 61.0%
HSR (professionally qualified): 84.8%
FY 2024: 59.6%

Women
60.8%
FY 2025 target: 58.5%
HSR (professionally qualified): 71.9%
FY 2024: 60.6%

Black women
38.7%
FY 2025 target: 36.8%
HSR (professionally qualified): 61.5%
FY 2024: 36.8%

Junior management and skilled workers

Aim: normalise gender diversity by improving the representation of men (including in nursing roles).

Black South African
79.8%
FY 2025 target: 78.1%
HSR (skilled technical): 89.9%
FY 2024: 78.3%

Women
83.5%
FY 2025 target: 83.3%
HSR (skilled technical): 77.6%
FY 2024: 84.0%

Black women
66.4%
FY 2025 target: 63.5%
HSR (skilled technical): 69.4%
FY 2024: 65.4%

158 senior, middle and junior managers were appointed over FY 2025.
Of these, **83%** are black, **61%** are women, **49%** are black women, and **<1%** are foreign nationals.
FY 2024: 186

At **executive management, senior management and middle management levels**, our primary focus remains on improving leadership diversity by developing internal talent through our suite of leadership and management development programmes. We closely monitor and manage recruitment, appointments and promotions and regularly report to the Nomination Committee on organisational talent and bench strength. Senior management diversity is included in the FY 2025 Group BSC and targets for diversity at executive leadership, senior and middle management levels are included in the Group HR and Transformation and Operating Division's BSC.

At **junior management and skilled worker level**, we continue to work with Netcare Education to attract more male candidates into annual nursing education programme intakes; this year Netcare Education enrolled **119** (FY 2024: 103) male nursing students, with male students comprising **11%** (FY 2024: 10%) of nursing students at September 2025. We also rolled out non-nursing training and development initiatives to attract more male candidates (**page 71**). Racial diversity at junior management and skilled level enables us to build a representative talent pool for future middle management and leadership roles.

We met all targets for FY 2025, barring those for black women's representation at executive management level and women's and black women's representation at senior management level. Diversity metrics against FY 2025 targets for black women at executive level were negatively impacted by one resignation. At senior management level, appointments in line with our FY 2025 Group BSC target shifted diversity ratios, resulting in us not meeting our targets for women this year. Our focus for next year will be on leveraging arising opportunities to progress diversity and inclusivity with a focus on currently under-represented social groups.

Note: 2025 targets reflect 2025 employment equity plan targets. A new plan will be introduced for FY 2026 to align with the amended Employment Equity Act numerical targets for designated groups.

*Read about our leadership and management development programmes: **page 71**.*

A diverse and inclusive workplace continued

Workforce diversity

Total workforce	Semi-skilled and discretionary decision-making	Unskilled and discretionary decision-making
Black South African	**Black South African**	**Black South African**
84.4%	**90.7%**	**93.1%**
EAP[1]: 92.5%	EAP: 92.5%	EAP: 92.5%
FY 2024: 83.7%	FY 2024: 89.9%	FY 2024: 93.9%
Women	**Women**	**Women**
79.5%	**78.0%**	**67.4%**
EAP: 46.1%	EAP: 46.1%	EAP: 46.1%
FY 2024: 79.8%	FY 2024: 78.0%	FY 2024: 67.1%
Black women	**Black women**	**Black women**
66.8%	**70.4%**	**63.9%**
EAP: 42.7%	EAP: 42.7%	EAP: 42.7%
FY 2024: 66.5%	FY 2024: 69.8%	FY 2024: 64.5%

At these levels, our overall aim is to align workforce representation more closely with the national EAP, particularly with reference to gender. In FY 2025, we improved representation, shifting it closer to the national EAP.

Doctor profile

57%

of doctors with admission privileges and revenue generation >R300 000/month are black. Our doctor profile is progressively aligning with our patient profile – ensuring those who receive care from us can see themselves reflected in our organisation.

FY 2024: 55%

Persons with disabilities

We adopt a critical disability model and intersectionality theory-based approach to disability, which guides the design and implementation of our disability mainstreaming initiatives, resulting in improved representation, labour market and economic inclusion, and better working experiences. We maintained representation of persons with disabilities well above sector and legislative thresholds, with representation improving marginally from **816 to 830**.

Improving representation of persons with disabilities will remain a focus area over the medium to longer term and is incorporated in our 2026 to 2030 employment equity plan. Key disability mainstreaming initiatives include education and awareness campaigns to reduce stigma and encourage disclosure and providing reasonable accommodation for employees with disabilities.

Persons with disabilities

4.5%

of our workforce are persons with disabilities. Of these, **70%** are black employees, **74%** are women and **51%** are black women.

FY 2025 target: 4.8%

DoEL target: 3.0%

HSR: 1.2%

FY 2024: 4.5%, 68% black people, 73% women, 49% black women

Note 1: 2025 targets reflect 2025 employment equity plan targets. A new plan will be introduced for FY 2026 to align with the amended Employment Equity Act numerical targets for designated groups.
Note 2: 95.8% (FY 2024: 95.1%) of National Renal Care employees are Black South Africans, 70.4% (FY 2024: 71.2%) are women, 67.0% (FY 2024: 67.2%) are black women and 5.2% (FY 2024: 4.5%) are persons with disabilities.
Note 3: foreign nationals comprise 1.9% (FY 2024: 1.9%) of the workforce.

1. **EAP:** *economically active population.*

A diverse and inclusive workplace continued

DEI and belonging at Netcare

Anti-discrimination and harassment training	DEI sessions	Workplace Transformation Committee members	GBV[1] webinars	SASL[2] training
4 766	**1 014**	**45**	**969**	**48**
employees received awareness training on our zero-tolerance approach.	managers and employees attended **11** expert-facilitated sessions.	appointed and trained.	employees attended webinars on how to seek assistance if they are experiencing violence or abuse in the home or workplace.	frontline employees received training on SASL, Deaf culture awareness and how to engage with interpreters.
FY 2024: 4 544	FY 2024: not recorded	FY 2024: 25	FY 2024: 107	FY 2024: >100

Through meaningful diversity and inclusion initiatives, constructive dialogues, and breaking down barriers to social cohesion, we aspire to become a fully inclusive employer, taking decisive action whenever cases of unfair discrimination emerge. Our DEI and belonging programmes ensure that individuals from various backgrounds can harmoniously co-exist and experience a sense of belonging at Netcare. We recognise that a diverse and inclusive organisation has benefits for the Group and for the communities in which we operate. Diversity enriches our organisational culture, and difference enhances our ability to innovate, connect with each other and leverage diversity of thought to drive organisational performance. It also strengthens our EVP, attracting and retaining talented individuals who are passionate about delivering person centred health and care.

For our communities, inclusivity means social transformation, support of households by employees from a wide range of backgrounds, increased social mobility, and over time – by eroding systemic inequalities – a more equitable and sustainable South African society. We understand gender and sexuality as a spectrum and strive to create an empowering and inclusive environment that challenges harmful stereotypes and unfair discrimination against the LGBTQIA+ community.

Additional performance metrics: key ESG indicator report online.

1. **GBV:** *gender-based violence.*
2. **SASL:** *South African Sign Language.*

Socioeconomic inclusion in our sector

By nurturing entrepreneurship, our preferential procurement initiatives and objectives drive job creation and inclusive socioeconomic growth.

Our procurement strategy rests primarily on supply chain diversification and localisation initiatives that are designed to benefit both the Group and local communities, fortifying our supply chain while furthering our transformation objectives and creating jobs in SA. We continue to focus on improving our procurement spend (particularly with EMEs[1] and QSEs[2]) and driving greater localisation through our ESD initiatives and the incubate, germinate, liberate strategy that focuses on continuously identifying, supporting and growing more EMEs and QSEs over time.

Key initiatives and progress over FY 2025 included:
- Ensuring that eligible suppliers have three-year contracts with Netcare.
- Actively sourcing reputable, vetted QSE/EME suppliers and awarding tenders and/or spend for certain commodities.
- Implementing clear objectives and timelines for QSEs and EMEs receiving ESD support via our incubate, germinate, liberate initiative.
- Onboarding **four** new suppliers onto our structured ESD beneficiary support (ESD incubation) programme.

Over the short to medium term, we will continue to prioritise preferential procurement criteria when sourcing goods and services, longer-term contracts for high-performing QSEs and EMEs, mentorship and support for suppliers, identifying specific categories of items for procurement through QSEs and EMEs, and working with local suppliers on prototype design and development for local manufacturing. We will also continue to identify and create development opportunities for SMMEs and diversify our technical spend.

Procurement key metrics and performance

Majority spend items	Total procurement spend	Measurable spend with B-BBEE compliant suppliers
59%	**R14.3 billion**	**R15.3 billion (117%)**
of procurement spend on medicine, medical devices and medical equipment sourced from suppliers registered with SAHPRA[3]. Our procurement team actively engages with non-compliant multinational and generic suppliers to improve their B-BBEE status[4].	of which **92% (R13.2 billion)** qualified as measurable under the dtic Codes.	**FY 2025 target: 123%**
		dtic target: 80%
FY 2024: 61%	FY 2024: R14.3 billion, 90% (R12.8 billion)	FY 2024: R15.3 billion (119%)

Spend breakdown and suppliers

FY 2025 breakdown of measurable spend (%)

- 51
- 11
- 25
- 5
- 8

- Pharmacy
- Medical equipment
- Property and technical
- Indirect
- Other
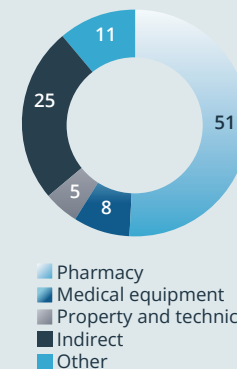
Note: other includes dental, management, hospitals, Primary Care Division and Netcare 911.

Active suppliers

>3 700

FY 2024: >3 700

1. **EME:** exempted micro enterprise.
2. **QSE:** qualifying small enterprise.
3. **SAHPRA:** South African Health Product Regulatory Authority.
4. Suppliers are held accountable for the commitments made in this regard and guidance is provided, where appropriate.

Socioeconomic inclusion in our sector continued

Preferential procurement spend and supply chain diversification

≥51% black-owned suppliers	≥30% black women-owned suppliers	QSEs	EMEs	Black designated group suppliers
R7.7 billion	**R5.0 billion**	**R1.5 billion**	**R1.0 billion**	**R592 million**
spend, equating to **58.7%** of measurable spend.	spend, equating to **38.5%** of measurable spend.	spend, equating to **11.5%** of measurable spend.	spend, equating to **8.0%** of measurable spend.	spend, equating to **4.5%** of measurable spend.
FY 2025 target: 58.8%	**FY 2025 target: 41.2%**	**FY 2025 target: 11.0%**	**FY 2025 target: 8.5%**	**FY 2025 target: 2.1%**
dtic target: 50%	**dtic target: 12%**	**dtic target: 15%**	**dtic target: 15%**	**dtic target: 2%**
FY 2024: R7.3 billion, 57%	FY 2024: R5.2 billion, 40%	FY 2024: R1.4 billion, 11%	FY 2024: R1.1 billion, 8%	FY 2024: R1.1 billion, 9%
These businesses comprise **37%** of our supplier base.	These businesses comprise **21%** of our supplier base.	These businesses comprise **16%** of our supplier base.	These businesses comprise **37%** of our supplier base.	These businesses comprise **6%** of our supplier base.
FY 2017 baseline: 6%	FY 2017 baseline: 3%	FY 2017 baseline: 6%	FY 2017 baseline: 9%	FY 2017: not recorded
FY 2024: 35%	FY 2024: 18%	FY 2024: 15%	FY 2024: 38%	FY 2024: 7%

During FY 2025, we exceeded dtic targets for our preferential procurement spend on B-BBEE compliant suppliers, black-owned suppliers, black women-owned suppliers and black designated group suppliers but remain below dtic targets for EMEs and QSEs. We met/exceeded internal targets for QSEs and black designated group suppliers but fell short of internal stretch targets for spends with B-BBEE compliant, black-owned, black women-owned and EME suppliers. Where internal stretch targets were not met, this is largely attributable to shifts in the procurement mix for FY 2025, with clinical efficiency initiatives resulting in improved pricing and reduced spend with B-BBEE compliant medicine suppliers. Conversely, there was a notable increase in spend with specialised medical device suppliers that generally have less favourable B-BBEE credentials.

We have put a formal strategy in place to improve QSE and EME[1] spends and are focused on identifying EMEs and QSEs for inclusion in our supply chain, maximising opportunities for subcontracting in key spend categories (eg property and technical), and minimising procurement spend on non-compliant generic suppliers[2]. EME spend came under pressure this year as some of the EMEs we supported grew quickly, becoming QSEs and then generic enterprises.

Our digitised source-to-contract platform supports our performance by driving greater efficiencies and enhancing managerial oversight. Key modules include those relating to spend and trend analysis, contract management, e-sourcing, supplier management and risk management. Our digitised procure-to-pay platforms support e-procurement, invoice and payment and finance management and enable decentralised ordering, inventory control and centralised payment.

1. **EMEs:** annual turnover <R10 million. **QSEs:** annual turnover R10 million to R50 million. These thresholds differ in the property category.
2. Annual turnover >R50 million.

Socioeconomic inclusion in our sector continued

Enterprise and supplier development

SMMEs are key to ensuring inclusive economic growth and employment creation in SA. However, the failure rate for these enterprises is very high (60%-85% in the first two years), primarily due to non-viable concepts and a lack of access to capital, markets and cashflow.

Our ESD programme integrates SMMEs into our supply chain, enabling sustainable operational and financial growth. Focusing on high-potential SMMEs, we provide our beneficiaries with loans, grants and various forms of non-financial assistance, including an early payment term programme that supports cash flow by paying invoices within 15 days[1]; low and interest free loans for seed capital and growth; and human resource assistance, including procurement support. We routinely monitor compliance and quality to identify and manage shortfalls, terminating in instances where performance failures are significant.

B-BBEE requirements are integrated into our tender process (weighted equally with the highest weighted variable), we intentionally source and include black and black women-owned suppliers in our ESD programme, and we actively engage with suppliers on improving their B-BBEE statuses. These, along with other interventions, enabled the Group to exceed dtic thresholds for ESD during FY 2025.

Growth is a key aim of our incubate, germinate, liberate philosophy and reflects the time and resources invested in supporting small businesses; this is crucial for inclusive economic growth and job creation. We will continue linking high-potential emerging enterprises with opportunities in the Netcare supply chain and sourcing replacements for programme beneficiaries who have transitioned to independent supplier status.

Key ESD metrics and performance

FY 2025 ESD spend breakdown (R)
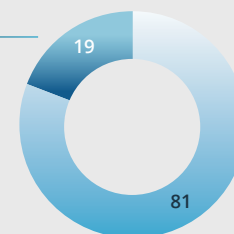
Enterprise development investment

R39 million

of which **87% (R34 million)** was measurable under the dtic Codes, equating to **2%** NPAT.

dtic target: 1% of NPAT

FY 2024: R35 million, 89% measurable

19

81

■ Enterprise development
■ Supplier development

Supplier development investment

R101 million

invested in supplier development of which **70% (R71 million)** was measurable under the dtic Codes, equating to **4%** NPAT.

dtic target: 2% of NPAT

FY 2024: R150 million, 55% measurable

R140 million

ESD spend.

FY 2024: R185 million

We leverage internal and external expertise to provide our beneficiaries with support that extends beyond the financial. Our more developed suppliers also provide support and mentorship to smaller suppliers operating in similar areas of specialisation.

We identify small enterprises with high growth potential to provide supplier development support, focusing on those that are black-owned, black women-owned, youth-owned and/or owned by persons with disabilities.

Jobs supported

1 083

by **134[2]** of our ESD beneficiaries. **475** new jobs created over FY 2025.

FY 2024: 510 (cumulative), 55 beneficiaries, 42 new jobs

SMMEs supported

>100

across various commodity lines[3].

FY 2024: >100

Early payment programme

102

SMMEs enrolled.

FY 2024: 104

ESD support for doctors

27

black doctors receiving ESD support.

FY 2024: 39

Over FY 2025, we continued to provide informal mentoring and coaching to various SMMEs requiring developmental assistance; considered and evaluated new ESD beneficiary proposals – these are in various stages of the due diligence process; and the procurement and ESD teams ran training sessions for the Property Division's procurement teams on identifying and mitigating B-BBEE non-compliance risks, securing a commitment to enhance spend with black-owned EMEs and QSEs.

The year-on-year increase in jobs supported is due to the increased number of ESD beneficiaries participating in our various support programmes.

The Group, via HASA[4], considered the Draft Concept Paper on the Transformation Fund issued by the Minister of Trade, Industry and Competition, which aims to raise R100 billion over five years to support businesses that are majority black-owned and controlled. The revised concept paper confirms that contribution to the fund is not mandatory and Netcare has elected to continue to focus on our current ESD initiatives.

1. Against a national average of 30 to 180 days.
2. Job creation/preservation is tracked for beneficiaries participating in our various support programmes (excluding the early payment programme).
3. Including medical consumables, construction, linen and apparel manufacturers, medical devices, logistics etc.
4. **HASA:** Hospital Association of South Africa.

Socioeconomic inclusion in our sector continued

Our ESD incubation programme

Our beneficiaries are carefully selected to align with the Group's strategic and operational requirements, enabling sustainable growth for our ESD partners[1].

In partnership with Galelo[2], we monitor and support SMME performance, proactively identifying risks for timeous management and mitigation. We measure the extent to which we create access to our ESD entities through an extensive procurement spend analysis, and we measure ESD beneficiaries' performance by monitoring and analysing key financial and non-financial performance indicators (including a sustainability risk rating) monthly.

Key challenges over the course of the year included international macroeconomic volatility, domestic headwinds and global supply chain disruptions.

As outstanding loan amounts decrease and businesses become less dependent on Netcare, the Group will continue to onboard new beneficiaries. We continue to provide non-financial support to ESD partners that have repaid their loans.

Additional performance metrics: key ESG indicator report online.

FY 2025 ESD beneficiary performance and highlights

Beneficiaries onboarded	Number of beneficiaries enrolled	Black women-owned beneficiaries
4	**8**	**4**
offset by **three** partners exiting due to internal support requirements.	FY 2024: 7	the year-on-year change is due to the shift in our beneficiary mix.
FY 2024: 7		FY 2024: 6

Sustainability risk ratings	Outstanding loan balance	Revenue and profitability
Low	**Decreased**	**Increased**
risk ratings maintained.	as a result of repayments, offset by accumulated interest.	predominantly driven by growth in wellness services, lab services, dosimeter badges and medical supplies demand.

Performance highlight	Performance highlight	Performance highlight
A 51% black-owned radiation dosimeter provider grew its revenue by **62%** year on year.	A 100% black-owned occupational health services provider was awarded **a three-year contract** for general medicals and wellness services with a national medical equipment and hospital furniture supplier.	A newly onboarded 100% black-owned radiography services provider was granted practising privileges at **seven** Netcare Medicross facilities and **one** Netcare Hospital, bringing their total to **three** hospitals.

Over FY 2025, the risk profile of our ESD partners remained stable. Overall beneficiary performance for the year was positive, demonstrating good growth and loan repayment term compliance.

1. *Dosimeter Services, Mlungisi Healthcare, iNyosi OT Services, Makhathini Medical Waste, Odire Occupational Health, Dr Esihle Nomlomo Inc, CTU Linen, FybaTex.*
2. *A trusted investment group specialising in economic inclusion and transformation.*

Makhathini Medical Waste

Makhathini Medical Waste is a 100% black-owned medical waste management services provider that was onboarded onto our supplier development programme two years ago and onto the ESD incubation programme in FY 2025, when the supplier was awarded a tender for servicing all Netcare facilities in KwaZulu-Natal, including acute hospitals, Netcare Akeso, Netcare 911, Netcare Medicross, National Renal Care and Netcare Occupational Health.

A number of our ESD beneficiaries support the Group's zero waste to landfill goal. Our partners include businesses that salvage, customise, and sell our used hospital furniture and keep the grounds of our hospitals clean, as well as those that take part in HCRW[1] beneficiation projects.

1. **HCRW:** *healthcare risk waste.*

Caring for our communities

We recognise that our success depends on that of the communities we serve. As an engaged corporate citizen, we invest back into SA by committing resources to community-building initiatives.

In line with our organisational focus and competencies, our CSI activities centre on providing access to quality medical care; care for survivors of sexual assault; supporting the health and wellbeing of newborn babies; and funding the development of doctors and nursing, paramedic and pharmacy students who serve the broader population.

As one of the few organisations that prioritises healthcare in their CSI activities[1], particularly as one that supports secondary and tertiary healthcare programmes, our CSI and socioeconomic development initiatives are both significant and relatively rare in a landscape marked by poor access to quality care.

The Netcare Foundation

The Foundation is guided by a commitment to ensuring that its actions benefit society's most vulnerable and we carefully select and manage the initiatives we invest in so that the resources we commit achieve maximum sustainable and systemic impact. Considerations in place to ensure this include:

- **Ethical leadership and governance:** the Board ensures that all actions align with the Foundation's values and ethical codes and the ethical risks (eg unmet commitments or inequitable access) are proactively identified and managed.
- **Monitoring and evaluation:** we closely monitor social impact metrics as well as whether our processes respect the dignity, privacy and autonomy of beneficiaries.
- **Stakeholder engagement:** we are committed to transparent engagement with all stakeholders and mechanisms are in place to allow beneficiary and community input, ensuring our programmes are responsive to their needs.
- **Balancing efficiency with need:** we remain mindful of the ethical implications of not meeting our targets and make every effort to meet our commitments to beneficiaries, even in cases where financial constraints may be a challenge.
- **Shortfall impacts:** potential shortfalls are treated as both financial and ethical challenges, with the potential for reputational risks for Netcare as well as direct effects on beneficiaries who are dependent on funding.

Key CSI metrics

FY 2025 CSI breakdown (%)

- Emergency medical services for indigent patients
- Accessibility initiatives
- Sexual assault assistance
- Community sponsorships
- Discretionary spend
- Bursaries
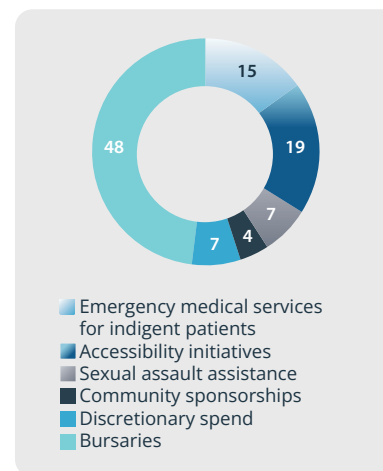
Corporate social investment

R27 million

of which **78% (R21 million)** was recognisable under the dtic Codes, equating to **1%** of NPAT.

dtic target: 1% NPAT

FY 2024: R25 million

Black CSI beneficiaries

89%

dtic target: 75%

FY 2024: 88%

Majority spend

48% (R13 million)

of our CSI is directed towards bursaries for specialist training to develop critical skills and resources.

FY 2024: 54% (R14 million)

1. *Trialogue Business in Society Handbook, 2024. While healthcare is supported by 36% of SA companies, it received only 9% of average CSI expenditure over 2024, the bulk of which was directed towards primary healthcare: 73% compared to 3% and 19% for secondary and tertiary healthcare respectively.*

Caring for our communities continued

Key initiatives and impacts

Funded primarily by the Hospital Division, private donors, the Mother and Child Trust and the Healthy Lifestyle Trust[1], the Netcare Foundation provides access to quality healthcare for patients that meet inclusion criteria[2]. The Foundation's key initiatives and impacts are detailed below.

Netcare Sexual Assault Crisis Centres

Given the exceptionally high rates of GBV[3], sexual violence and femicide in SA and the communities in which we operate, we consider preventative and supportive action a national imperative and provide healthcare and medicolegal services to survivors of sexual violence through **38** Sexual Assault Crisis Centres in SA. Since inception in 2002, our centres have provided assistance to **over 17 400** survivors, the majority of whom are women and children. These services are provided free of charge and include free counselling and follow-ups for a year to promote long-term healing. We also encourage and assist survivors to press charges against perpetrators.

As Deaf and hard-of-hearing women are more likely to be subjected to various forms of sexual violence, we ensure that interpreters are available to provide much needed support to these survivors and continue to train managers on basic SASL[4], Deaf culture awareness and how to engage with interpreters. **Six** (FY 2024: 4) managers were provided with training this year.

Survivors of sexual assault assisted

703

of these, **46%** were under 18 years old, **90%** were women and **88%** were uninsured. This programme receives funding from **the Mother and Child Trust**.

FY 2024: 699

Accessibility and emergency medical services initiatives

Our accessibility initiatives are run in collaboration with healthcare practitioners in Netcare facilities, supported by the CSI team who facilitate the process, connecting patients with their care teams. Over FY 2025, **four** (FY 2024: 3, 459 since inception in 2007) beneficiaries were funded through the Netcare cleft lip and palate programme sponsored by Tannah's Gift; **four** (FY 2024: 5, 127 since inception in 2008) beneficiaries were funded through the craniofacial programme; **96** (FY 2024: 66; 5 509 since inception in 2005) cataract beneficiaries were funded through our Gift of Sight programme supported by the Healthy Lifestyle Trust; **two** (FY 2024: 8; 106 since inception in 2007) beneficiaries were funded through the cochlear implant programme supported by the Healthy Lifestyle Trust; **one** (FY 2024: 2; 25 since inception in 2011) beneficiary was funded through the elephantiasis programme run by the Healthy Lifestyle Trust and specialist healthcare professionals; and **five** (FY 2024: 3; 24 since re-establishment in 2021[5]) beneficiaries were funded through the Netcare paediatric cardiac programme run in partnership with the Maboneng Foundation.

The Netcare Foundation will be supporting a medical practitioner to work with the cardiothoracic team at Netcare Sunninghill Hospital with the longer-term objective of the individual studying cardiothoracic surgery, supporting the paediatric cardiac programme. The number of beneficiaries receiving cochlear implants decreased year on year due to a change in the partnership structure of the programme – we anticipate these numbers will increase in FY 2026 as a new partner has now been secured. The number of indigent patients accessing emergency medical services decreased as less patients presented at our emergency services for care.

Health accessibility beneficiaries

112

beneficiaries funded for various procedures, including cleft lip and palate, craniofacial, elephantiasis, cataract, cochlear implant and paediatric cardiac programmes.

FY 2024: 89

Indigent patient assistance

91

accessing emergency medical services assisted.

FY 2024: 153

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1. Funding received from the trusts is strictly used for CSI initiatives with the Group covering administrative costs.
2. Priority is given to individuals who have no health insurance and earn less than R2 000 a month.
3. **GBV:** gender-based violence.
4. **SASL:** South African Sign Language.
5. 522 babies received life saving cardiac intervention surgery between 2004 and 2013. The partnership was run with the Walter Sisulu Paediatric Cardiac foundation prior to its closing. We have since revived this essential programme with new partners. Due to the high cost of these cases, few patients can be accepted into the programme.

Caring for our communities *continued*

Netcare Ncelisa human milk banks

Babies fed since inception	Breastmilk donated	Mothers donating excess breastmilk	Public sector babies fed
5 433	**6 136**	**222**	**333**
FY 2024: 4 366 (cumulative)	litres since inception. FY 2024: 4 661 (cumulative)	FY 2024: 225	**33%** of babies fed donor milk in FY 2025 were in public sector hospitals. **2025 target: 33%** FY 2024: 251, 33%

Donated human breastmilk plays a crucial role in the health of newborn babies, particularly those who are extremely premature, ill, or otherwise unable to receive breastmilk from their biological mothers. Netcare operates **six** human milk banks and **36** collection points for mothers to donate excess breastmilk that is provided free of charge to public and private sector hospitals. The additional human milk bank opened at Rahima Moosa Mother and Child Hospital (a public hospital) in FY 2024 is now well established, recruiting **42** donors and feeding **288** babies since opening. We have also begun piloting an initiative that enables us to process and store freeze-dried human milk that keeps for up to three years at room temperature and can be more easily distributed to mothers in rural areas.

Quality report online.

Additional CSI initiatives and programmes

Organ transplant
Netcare shares donated organs with public sector transplant facilities in Gauteng, KwaZulu-Natal and the Western Cape on a 50/50 basis, enabling organ transplants and covering **R5 million** in management costs since 2019. In FY 2025, **55%** of organs from Netcare donors were shared with the state.

Mandela Day fundraising
Through our Mandela Day initiative, the Netcare foundation raised over **R55 000** (FY 2024: >R96 000) – employees were able to purchase Mandela Day branded merchandise, with all proceeds donated to the Foundation for various discretionary emergency requests.

Male medical circumcision
In partnership with the NDoH[1], the Netcare Foundation funds safe medical circumcision for male African children (primarily those living in rural areas) – **39** (FY 2024: 49) circumcisions were performed over FY 2025.

SADAG counselling
Funded by the **Healthy Lifestyle Trust**, **4 223** (FY 2024: 2 202) community members in Ivory Park and Diepsloot received face-to-face counselling through container services, with additional members reached through SADAG awareness talks and stands at malls, taxi ranks, clinics, and schools.

CPR outreach
All Netcare hospitals hosted a national CPR Day in FY 2025, providing training to **2 042** employees, visitors and patients.

National blood drives
7 274 (FY 2024: 5 818) units of donor blood collected via blood drives hosted at our emergency departments and trauma centres across SA.

Nursing, paramedic and pharmacy bursaries
71 nursing, pharmacy and paramedic students were assisted with training costs, amounting to **R3 million.**

SADAG talks, workshops and webinars
Funded by the **Healthy Lifestyle Trust**, **19 001** (FY 2024: 6 190) learners and educators, district officials, learner support agents, parents and other stakeholders reached through SADAG talks, workshops and webinars on preventing teen suicide.

*Read more about The Mother and Child Trust, The Healthy Lifestyle Trust: **page 75**.*

Additional performance metrics: key ESG indicator report online.

1. **NDoH:** National Department of Health.

04

UPHOLDING OUR VALUES AND PRINCIPLES

External commitments, frameworks and standards

- King IV Report on Corporate Governance for South Africa (2016)
- United Nations Global Compact[1]
- Universal Declaration of Human Rights
- United Nations Sustainable Development Goals
- International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- Various environmental, social and governance assessments: *page 26*.

UN SDGs[2]

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

GRI Standards[7]

2-6, 2-12 to 2-13, 2-25 to 2-27/ 205-1 to 3 / 308-2 / 406-1 / 407-1 / 408-1 / 409-1 / 412-2 / 415-2 / 416-2 / 417-3/ 418-1

Key legislation

- Electronic Communications and Transactions Act 25 of 2002
- General Data Protection Regulations (EU, 2016)
- Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000
- Protection of Personal Information Act 4 of 2013
- Prevention and Combating of Corrupt Activities Act 12 of 2004

Scope of reporting

Our data relating to our supply chain management, ethical corporate citizenship, and data privacy and protection include all Netcare subsidiaries and affiliates.

For a full account of our governance-related principles and activities, see the *shareholder report online: Governance report*.

For an overview of how our approach to governance creates value for stakeholders, see the *integrated report online: Governance overview*.

1. *Our Communication on Progress is available on the* United Nations Global Compact website.
2. *Detailed descriptions of these targets:* page 109.
3. **GRI:** *Global Reporting Initiative. A GRI index covering our full reporting suite is available on the* Netcare investor relations website.

Introduction

Our approach to ESG

Environmental impact

Social Impact

Governance

Additional Information

Upholding our values and principles continued

This section responds to the following stakeholder concerns

All stakeholders

- Data privacy and protection of personal information.
- Working for, partnering with, and/or receiving care from a well-governed, ethical and socially responsible organisation.
- Ethical and effective governance.
- Responsible use of AI in compliance with HPCSA[1] guidelines and with due regard for the South Africa National Artificial Intelligence Policy Framework.

Our patients

- High levels of medical ethics from all healthcare practitioners.
- Clear communication about services and products offered.

Suppliers

- Netcare's procurement, social, environmental and data protection policies.

Our people

- Training on how to meet evolving regulatory requirements.
- Access to systems for reporting unprofessional and unethical behaviour.

Investors

- Our approach to ESG.
- ESG reporting practices and indices.

Doctors and allied healthcare professionals

- Healthcare practitioner credentialing.
- Employment of doctors in compliance with HPCSA guidelines.

Regulators and government

- Compliance with laws and regulations.
- New healthcare-related regulations.

Private medical funders

- High levels of medical ethics, including combatting medical fraud, waste and abuse.

Society

- Regulations affecting healthcare.

1. *HPCSA: Health Professions Council of South Africa.*

Critical issues

Regulations impacting the South African healthcare sector

SA's private healthcare market is one of the most regulated in the world, with regulated areas of operations including hospital build specifications, prohibitions on employing doctors, medicine pricing and caps on nurse education and training, among others.

Key regulatory considerations for FY 2025:

- **The Companies Amendment Act** was signed into law in July 2024, and certain sections of the Act came into effect on 27 December 2024.

- **The NHI Act** is currently being challenged by multiple parties: *page 53*.

- The proceedings relating to the proposed **Certificate of Need regulations associated with the NHI** were held in September 2025 at the Constitutional Court– judgement was reserved and is expected during 2026. The Court's decision will determine whether the Certificate of Need provisions will remain part of the NHI Act. The provisions are intended to enable government to steer the distribution of existing and future health resources to achieve universal access and greater health equity.

- **The HPCSA[1] Ethical Rule 18** amendment aims to reinstate the employment of healthcare practitioners by non-HPCSA-registered corporate entities subject to HPCSA approval.

- **The HPCSA Ethical Guidelines on the use of AI** released in April 2025 emphasise that while the HPCSA supports innovation in healthcare, the ethical, legal and professional challenges that accompany AI adoption must be addressed. The guidelines propose improved transparency when using AI technology for clinical diagnosis, medical decision-making and in ways that may impact data anonymisation. They also assign liability to practitioners using AI-integrated healthcare devices.

- **Other legislation that could impact Netcare** includes the NHI's impact on low-cost benefit options and benefit package design for medical schemes, the Employment Equity Amendment Act and 2025 Regulations and related targets, the Draft Transformation Fund Concept Document, the SAHPRA[2] Policy Position on Enabling Local Manufacturing, Financial Intelligence Centre drafts (3A and 50A), proposed amendments to National Waste Information Regulations, and the outcomes of the Multilateral Negotiating Forum tariff regulation process.

1. **HPCSA:** Health Professions Council of South Africa.
2. **SAHPRA:** South African Health Product Regulatory Authority.

Our response

General approach

- Assisted by the Audit, Risk and Social and Ethics committees, the Board ensures compliance with laws, regulations, codes and standards: *page 93*.
- The Risk Committee also monitors compliance risk.
- We record and report material incidents of non-compliance by the Group and its suppliers: *page 100*.

Specific regulations

- The Netcare Social and Ethics Committee has approved amendments to its terms of reference in preparation for the full implementation of the Companies Amendment Act and the Group meets the sections of the Act now in effect.
- HPCSA Ethical Rule 18: Netcare has submitted comments relating to the employment of doctors.
- HPCSA AI guidelines: The Social and Ethics Committee has noted the proposed requirements and Netcare has submitted comments advocating for clearer differentiation between AI use cases (eg clinical, non-clinical, device-integrated) and for alignment with existing legislative frameworks, noting that practitioners should not be dissuaded from using AI due to undue liability. Read further about Netcare's AI governance structures and approach: *page 97*.

📄 Our ESG risks and opportunities: *page 13*.

Critical issues continued

Corruption in SA

Corruption underlies multiple risks in SA, including economic collapse, crumbling infrastructure and poor service delivery. In the 2024 Corruption Perceptions Index (released early 2025), SA maintained its lowest score since the index was created (41 out of 100, below the global average of 43) ranking 82nd out of 180 countries surveyed[1].

Positively, however, the country officially exited the FATF[2] grey list after successfully implementing key reforms to combat money laundering and the financing of terrorism. Since being greylisted in 2023, key representatives have worked with FATF to address 22 items on its action plan[3]. While this is a significant milestone and a demonstration of SA's commitment to tackling corruption, it remains an initial step in a far broader process to strengthen key institutions and enhance enforcement and governance processes. The FATF requires countries that have exited the grey list to demonstrate their continued commitment through measurable outcomes, including successful investigations, prosecutions and sanctions.

Additional anti-corruption reforms implemented by government include establishing the Investigating Directorate Against Corruption within the National Prosecuting Authority and developing a digital forensics lab.

Eradicating corruption is key to preventing civil unrest and unlocking accelerated growth over the medium to long term. Operating in a country with perceived elevated levels of corruption makes it vital for South African businesses to demonstrate their commitment to ethical business conduct and appropriate anti-corruption controls.

Our response

- Corruption risk is assessed across the Group by the Risk and Social and Ethics committees respectively. Forensic services assists with investigating instances of alleged fraud, corruption, unethical behaviour and irregularities, as well as providing pertinent information on these issues to the Group.
- Various ethics and management of conflicts of interest mechanisms are in place to ensure instances of fraud and corruption are identified and reported, including for suppliers: *page 100*.
- Anti-corruption and bribery training: *page 101*.

Our ESG risks and opportunities: page 13.

1. *Transparency International | https://www.transparency.org/en/countries/south-africa.*
2. **FATF:** *Financial Action Task Force.*
3. *SA exits FATF Greylist after successful reform efforts | SAnews 2025 (https://www.sanews.gov.za/south-africa/sa-exits-fatf-greylist-after-successful-reform-efforts).*

Critical issues continued

Cybersecurity and data privacy

The World Economic Forum highlights the growing complexity of the cyber landscape, driven by geopolitical tensions, increased supply chain complexity and integration, rapid adoption of emerging technologies and the proliferation of regulatory requirements that increase organisations' compliance burdens. This degree of complexity along with growing skills shortages make managing cyber risks increasingly challenging[1].

The majority of cyberthreats emanate from phishing and compromised supply chain and/or third-party vendors. Malicious attacks remain an area of concern, with malicious insider attacks being the costliest attack vector[1]. Compromised credentials, exploited vulnerabilities and malicious emails are the most common root cause of security breaches in SA organisations, making employee awareness and training critical for maintaining systems security[2].

The healthcare sector is disproportionately affected by the shortage of cybersecurity skills and remains at high risk for data breaches, with the 2025 Cost of a Data Breach Report noting that the sector reported the most expensive data breaches globally again this year (at an average cost of US$7 million). The average cost of a data breach for a South African organisation was estimated at US$2 million. The cost of breaches, however, did decline for the first time in five years (for global, SA and healthcare sector averages) due to faster breach containment enabled by AI-powered defences, with organisations using AI-enabled cybersecurity saving an average of US$2 million[3].

While a powerful tool, AI can also pose risks for cybersecurity, with the rise of AI driven cyberattacks and advanced ransomware deployment mechanisms making ransomware the leading global cyber risk. These rapidly evolving threats target essential systems that support societal progress such as financial systems, public services and the public's trust in a secure digital future. In 2024, SA ranked as the second most targeted country in Africa for ransomware, with over 12 000 detections. Healthcare organisations in the country face an average of 1 626 attacks per week[4].

Data privacy

AI and data analytics are increasingly used in healthcare to improve clinical pathways, patient outcomes, productivity and clinical cost efficiency. Organisations must balance the competitive advantage of big data with their ethical and moral responsibility to protect stakeholder privacy. South African businesses face intensified audits, investigations and potential penalties for non-compliance as enforcement activities by the Information Regulator increase.

Our response

- Data and privacy governance: *page 98*.
- Our approach to cybersecurity: *page 103*.
- Our data protection initiatives, including employee awareness and/or training and approach to third-party management: *page 104*.
- Our data privacy strategy: *page 104*.
- Our Big Data analytics platform: *page 104*.
- AI governance structures and approach: *page 97*.
- Our people: *page 56*.

Our ESG risks and opportunities: *page 13*.

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1. WEF_Global_Cybersecurity_Outlook_2025 | World Economic Forum (https://reports.weforum.org/docs/WEF_Global_Cybersecurity_Outlook_2025.pdf).
2. The State of Ransomware in South Africa Report 2025 | Sophos.
3. Cost of a Data Breach Report 2025 | IBM (https://www.ibm.com/downloads/documents/us-en/131cf87b20b31c91).
4. Interpol Africa Cyberthreat Assessment Report 2025 | Interpol (https://mybroadband.co.za/news/wp-content/uploads/2025/07/Cybercrime_Africa-Cyberthreat-Assessment-Report_Design_FINAL.pdf). The State of Cybersecurity 2025 | Checkpoint Research (https://research.checkpoint.com/?_gl=1*z9gizf*_gcl_au*NDcyMDU3NzguMTc2MjMyNTQzMw).

Governance performance overview

Ethics

5 654

hours training **4 811** employees on human rights.

FY 2024: 4 872 hours, 4 569 employees

4 742

employees received ethics and anti-corruption and bribery training.

FY 2024: 4 544

351

incidents of alleged fraud and irregularities reported.

FY 2024: 297

Compliance

Zero

fines incurred for non-compliance with environmental laws and regulations.

FY 2024: 0

Zero

fines or non-monetary sanctions for non-compliance with social and economic laws and regulations.

FY 2024: 0

Adverse supplier impact

Zero

suppliers identified as having significant actual and potential negative environmental impacts.

FY 2024: 0

Zero

suppliers identified as having significant negative social impacts.

FY 2024: 0

Data privacy

71

privacy incidents reported to the Information Regulator. **32** closed. **None** pose a material reputational threat.

FY 2024: 60 reported, 11 closed

18 483 (98%)

employees have completed POPIA training. **All** new employees receive privacy training.

FY 2024: 18 093 (97%)

Political contributions

No

political contributions made.

FY 2024: None

ESG governance overview

At the highest level of governance, the Board upholds and expects ethical leadership, good corporate citizenship, financial, social and environmental sustainability, and the highest professional and operational standards to realise Netcare's purpose of delivering the best and safest care.

The Board subscribes to the principles and recommended practices of King IV, which aim to promote enhanced transparency, an ethical culture, improved performance and value creation, effective control mechanisms (to manage risks and ensure accountability) and legitimacy by operating in a socially responsible manner. These governance outcomes are pivotal to achieving Netcare's purpose and support the Group's achievement of the international sector-specific objectives of the *Quadruple Aim* – to balance the value of services with their cost to society while supporting meaningful work for healthcare practitioners.

Board oversight

We operate a well-developed governance and delegation of authority framework to progress our strategy while ensuring we comply with legislation and best practice governance and balance stakeholder interests. Detailed formulation and implementation of the Group's strategy and the day-to-day management of Netcare is assigned to the Executive Committee and senior management by the Board. Discussions between the Board and the executive team on governance, risk and operations are appropriately and constructively challenging and hold executive management to account for the interests and expectations of all Netcare's stakeholders.

The delegation of authority framework clearly defines the powers and matters reserved for the Board, and the responsibilities delegated to management via the CEO.

The Board:

- Approves our strategy and applies its guidance and oversight to how we execute strategy and manage trade-offs when making strategic decisions – ensuring that we mitigate against negative impacts and increase our positive impacts.

- Ensures the sustainability of the Group's business model by assessing the operating environment, key risks and opportunities and the availability of capital resources.

- Sets policy, ensures capital prudence, oversees our governance frameworks and control environment, and keeps abreast of stakeholder concerns, needs and expectations, balancing these with the Group's interests.

- Maintains a transparent and effective governance process that instils confidence among stakeholders that the Group is managed ethically, within acceptable risk parameters, and in compliance with all applicable laws and international best practices.

Board composition

At date of publication, the Board comprises six independent and two executive directors (the CEO and CFO) who collectively have the independence, diversity and professional expertise (across governance, finance, digital and legal domains) and balance between institutional knowledge and new perspectives to support the Group's complex and evolving strategic demands. The Board demonstrates a sound understanding of both current and long-term healthcare trends. In FY 2025, the Board identified that skills and experience in data analytics, cybersecurity and customer centricity are needed to support the Netcare strategy to FY 2030 – the appointment of Ms Mathe on 1 October 2025 addresses two of these gaps (data analytics and cybersecurity).

The Board considers ESG matters on an ongoing basis and has access to management teams tasked with ensuring related performance and compliance, delivering on our ESG-related strategic priorities, and ensuring that our performance complies with our internal and external ESG-related obligations.

Responsible corporate citizenship

The Board supports Netcare's intention to be a powerful force for social good and its commitment to create, preserve and share value for current and future generations of South Africans. The Social and Ethics Committee monitors our corporate citizenship, ensuring that the Group employs ethical and compliant business practices, fair labour practices and deliberately prioritises positive socioeconomic and environmental outcomes. The committee's mandate includes oversight of AI governance, human rights, safety, developing and retaining a skilled and diverse workforce, the 2030 environmental sustainability strategy and responding to the changing regulatory environment. The Consistency of Care Committee oversees some of the Group's employee wellbeing and OHS projects and the Hospital Division's waste reduction initiatives.

We consider the Universal Declaration of Human Rights, UN SDGs, the principles of the International Labour Organization and other voluntary codes – including the principles of the UN Global Compact, of which we are a member – as part of our commitment to good corporate citizenship.

We do not make, and have not made, contributions to political parties, government affiliates or candidates, whether in cash or in kind.

ESG governance overview continued

Board oversight and accountability for our ESG impacts

Netcare Limited Board

Governance committees

Audit Committee: met three times
ESG focus areas: Code of Conduct compliance and business ethics programme adherence; anti-bribery and corruption, fraud and anti-money laundering laws and regulations adherence; cybercrime and cybersecurity report reviews; governance, compliance and IT control environment oversight; and Group risk management and compliance function reviews.

Consistency of Care Committee: met twice
ESG focus areas: strategic employee wellbeing and OHS and Hospital Division waste management project oversight.

Nomination Committee: met twice
ESG focus areas: executive succession planning and the Group's talent management approach.

Remuneration Committee: met twice
ESG focus areas: remuneration policy and implementation and Group BSC target oversight, including ESG-related KPIs and targets.

Risk Committee: met twice
ESG focus areas: ESG-related risk identification and mitigation, and ethics management, compliance and IT control environment oversight.

Social and Ethics Committee: met three times
ESG focus areas: ethics oversight, including fair labour practices and human rights; legislative and regulatory compliance oversight; good and responsible corporate citizenship and environmental sustainability initiative oversight and monitoring; AI governance oversight; NPO partner governance reviews, including the Netcare Foundation; and ESG reporting oversight.

Executive committee

Leads the implementation and execution of Netcare's ESG-related strategies, policies and operational planning as well shaping associated Group practices.

Operating committees that play a key role in our approach to ESG

AI Committee: oversees AI-related investments, ethical use, risk management and alignment with business and IT strategy.

Combined Assurance Committee: coordinates a framework of protocols and persons to provide assurance on top ESG-related business risks.

Compliance Committee: monitors the legislative landscape and assesses the potential impact of new laws and regulations on the Group.

Finance and Investment Committee: reviews and approves ESG-related capital and investment projects.

IT Management Committee: manages IT risk and provides IT-related strategic and governance direction across the business.

Procurement Committee: enhances procurement processes and reviews the supplier base, including ethics in the supply chain.

Operational Transformation Committee: guides, monitors, reviews and evaluates the Group's transformation progress, particularly the pillars of the B-BBEE scorecard.

Environmental Sustainability Committee: leads the environmental sustainability strategy and oversees key environmental initiatives.

Detailed information on our approach to governance, including our full delegation of authority framework, can be found in our shareholder report online: Governance report.

Detailed information on our approach to clinical governance and the key role played by our Consistency of Care Committee can be found in our quality report online: Governance.

ESG governance overview continued

Environmental governance, accountability and impact management structures

Climate change and a deteriorating environment place the wellbeing of entire populations at risk, with our sector and operations unavoidably contributing to this problem. The second phase of our environmental sustainability programme (the 2030 strategy) sets emissions, water and waste reduction goals for FY 2030. The programme is foundational to achieving our long-term target of net zero emissions by 2050 and also enables operational efficiencies and resilience.

Environmental governance and accountability

Social and Ethics Committee

Executive Committee

Finance and Investment Committee

Procurement Committee

Environmental Sustainability Committee
(regional hospital managers are invitees)

External assurance: Verify CO_2; The Green House; Talbot and Talbot.

How we manage our environmental impacts

Social and Ethics Committee

Environmental Sustainability Committee

National environmental sustainability manager

| Energy engineer | Sustainability operations engineer | Integrated waste manager |

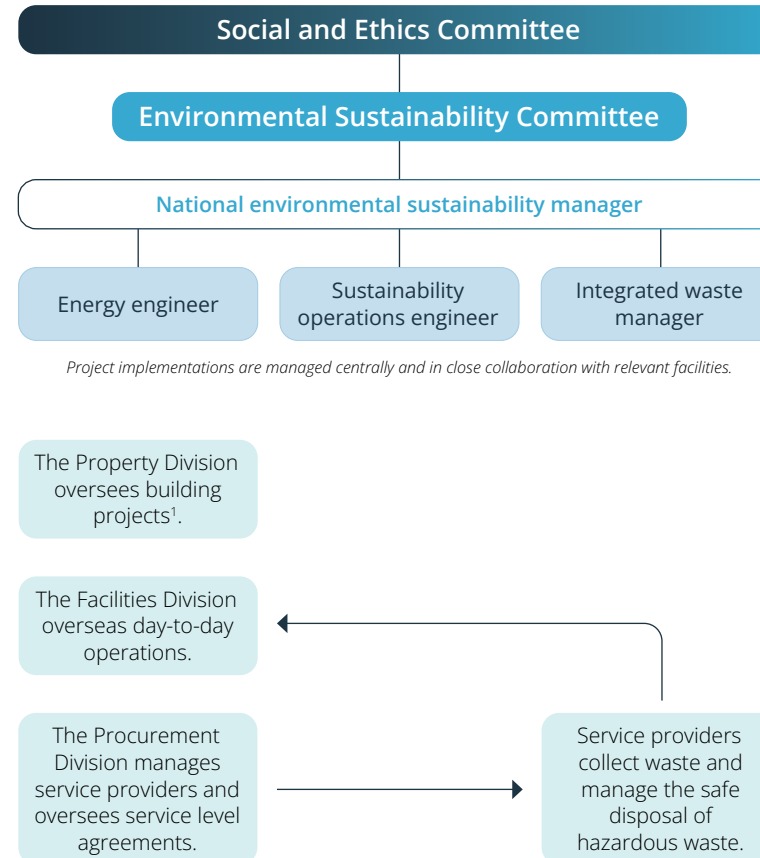*Project implementations are managed centrally and in close collaboration with relevant facilities.*

The Property Division oversees building projects[1].

The Facilities Division overseas day-to-day operations.

The Procurement Division manages service providers and oversees service level agreements.

Service providers collect waste and manage the safe disposal of hazardous waste.

Chaired by the CEO, the Sustainability Committee oversees key environmental initiatives designed to minimise the Group's impacts and optimise efficiencies.

Remuneration

Targets for energy efficiency, renewable energy, water savings, reducing general waste, and reducing HCRW[2] account for 10% of the FY 2025 and 10% FY 2026 Group BSC.

Key policies

Environmental sustainability management policy online.

Energy efficiency policy online.

Integrated waste management policy online.

Water stewardship policy online.

Sustainable procurement policy online.

1. *Environmental impact assessments are conducted by specialists, where needed. All new construction is guided by the consultant guideline for green construction, which is updated regularly.*
2. *HCRW: healthcare risk waste.*

ESG governance overview continued

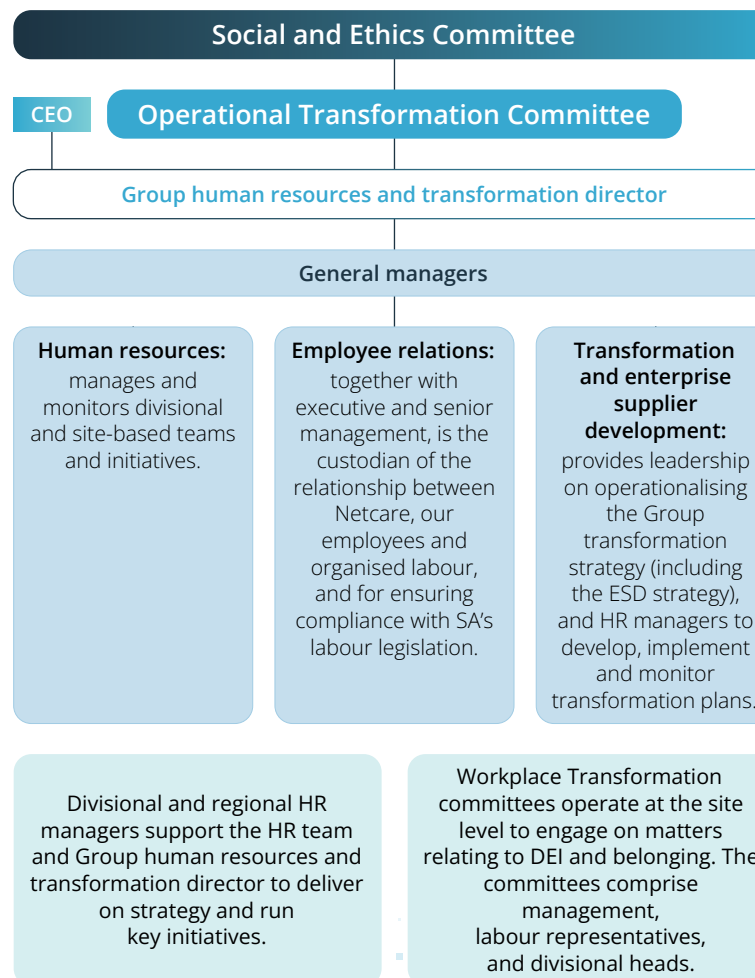## Social governance, accountability and impact management structures

Our efforts to be a powerful force for social good include transforming our employee profile, diversifying and localising our supply chain, the medical procedures we support for indigent patients, and our contribution to reforming SA's health system so that it provides affordable access to healthcare for more South Africans. We work openly and transparently with government, NGOs and lobby groups. The Netcare Foundation ensures that all CSI decisions align with the Group's values and ethical codes, proactively identifying and managing ethical risks such as unmet commitments or inequitable access.

Social governance and accountability

Social and Ethics Committee

Executive Committee

National Consultative Forum (includes organised labour)

Operational Transformation Committee

Procurement Committee

Workplace Transformation committees (includes employee representatives)

External assurance: B-BBEE Commission; Department of Trade, Industry and Competition; Department of Employment and Labour; Health and Welfare Sector Education and Training Authority; South African Health Products Regulatory Authority (ethics approval for research, medical devices etc); Trade unions.

How we manage our social impacts

Social and Ethics Committee

CEO

Operational Transformation Committee

Group human resources and transformation director

General managers

Human resources: manages and monitors divisional and site-based teams and initiatives.

Employee relations: together with executive and senior management, is the custodian of the relationship between Netcare, our employees and organised labour, and for ensuring compliance with SA's labour legislation.

Transformation and enterprise supplier development: provides leadership on operationalising the Group transformation strategy (including the ESD strategy), and HR managers to develop, implement and monitor transformation plans.

Divisional and regional HR managers support the HR team and Group human resources and transformation director to deliver on strategy and run key initiatives.

Workplace Transformation committees operate at the site level to engage on matters relating to DEI and belonging. The committees comprise management, labour representatives, and divisional heads.

Chaired by the Group human resources and transformation director, the committee monitors and drives implementation of the Group's transformation and diversity initiatives.

Remuneration

Targets for talent management and succession, labour turnover and senior management racial diversity account for 10% of the FY 2025 Group BSC. Targets for talent and succession management, inclusion and racial diversity at middle management account for 10% of the FY 2026 Group BSC.

Key policies

Employee wellness policy online.

Patient feedback and complaints policy online.

Group supplier management policy online.

Supplier accreditation policy online.

ESG governance overview continued

Artificial intelligence governance

AI will be a significant enabler of the Netcare strategy and will play a pivotal role in Netcare's future projects. We are committed to a human-AI collaborative approach, ensuring that AI is used to enable rather than replace our people, and that decisions requiring judgement are made by people. Effective AI deployment requires careful planning, robust oversight and transparency with all stakeholders, particularly our patients and employees. We are committed to enhancing our AI capacity and to leveraging related opportunities in the most efficient and responsible manner. During FY 2025, the Board oversaw the establishment of the AI and AI Design committees.

Artificial intelligence and accountability

Social and Ethics Committee

Executive Committee

AI Committee
Oversees AI strategy at Group level, including investment, ethical usage, risk management, and alignment with business and IT strategy. The committee draws on the expertise of the AI Design, IT Enterprise Architecture and AI Governance committees for technical compliance reviews, but holds final decision-making powers regarding AI direction, investments and ethical clearance. No AI-related project may proceed without the committee's approval.

AI Governance Committee[1]:
Responsible for assessing and monitoring AI solutions from an ethical, legal and compliance perspective, providing assurance that robust controls and processes are in place. Guided by seven principles aligned with Netcare's values, the committee assessed and recommended **five** AI-enabled solutions in FY 2025.

IT Enterprise Architecture Committee:
The IT Enterprise Architecture Committee is a key component of the Group's IT governance, serving as a forum where senior IT stakeholders align on enterprise-wide architecture decisions and provide direction to IT operations and project teams. Its purpose is to ensure that Netcare derives maximum value from its technical investments into the future. It also establishes the principles and policies for AI architecture.

AI Design Committee:
A technical committee that defines the design and roadmap for AI solutions and the Group's long-term AI platform. It is a subcommittee of the IT Enterprise Architecture Committee.

The Group is now in the process of developing a risk assessment framework and a consolidated view of AI solutions deployed throughout the business. We have also circulated a policy on the use of open AI to all employees.

In the short term, we will be revising applicable third-party contractual obligations relating to AI obligations and responsibilities and updating related website notifications and admission terms and conditions. We are also planning to establish a framework for partnering and engaging with governing bodies on registering AI clinical models.

Read further about AI-related initiatives and our 2030 strategy in the __integrated report online__.

1. *Established in FY 2024.*

ESG governance overview continued

Ethics and compliance governance

Ethics governance

The **Social and Ethics Committee and Audit Committee** ensure compliance with the Group's business ethics programme and key policies are in place to support awareness and compliance. Key ethics mechanisms and initiatives include our Code of Conduct, ethics management programme, incident management system, forensic services etc: **page 100**.

Key policies include: anti-corruption policy (including the whistleblower policy), gifts and hospitality policy and Netcare Code of Conduct online.

Regulatory compliance governance

Assisted by the **Audit, Risk and Social and Ethics committees**, the Board ensures compliance with laws, regulations, codes and standards. The **Compliance Committee** monitors the legislative landscape on an ongoing basis, performs compliance risk assessments and considers the potential impact of new laws, regulations, and sector-related developments on the Group. The committee and compliance function keep the Board appraised of any material developments in this regard and oversee any changes made by management in relation to these developments, with management delegated to effect the required changes within defined timelines.

*Read more about compliance: **pages 89 and 101**.*

Supply chain ethics governance

The **Social and Ethics Committee** oversees ethics within the supply chain and outsourced relationships. The **Procurement Committee**, headed by the general manager of procurement services and chaired by the CFO, reviews and enhances procurement processes to ensure good governance and ethical conduct. The committee also provides input on ESD initiatives.

The general manager of procurement services, supported by supply and commodity managers, negotiates preferential pricing aligned to bulk purchasing and reviews the supplier base to ensure ethics in the supply chain.

All our procurement policies are available through the supplier management portal. The following are also available publicly: procurement Group enquiry policy and sustainable procurement policy online.

*Read more about supply chain ethics: **page 102**.*

Data and privacy governance

The Board, assisted by the **Audit, Risk and Social and Ethics committees**, oversees the governance of technology and information management (including cybersecurity initiatives). The IT Management Committee, headed by the chief information officer, oversees and manages all IT assets and risk and provides IT-related strategic and governance direction across the business.

The **IT Management Committee** proactively monitors incidents and information asset security, provides guidance on best practice, reviews information security initiative progress and communicates common practice requirements. A dedicated team oversees and manages non-compliance incidents and takes corrective measures.

The **IT Enterprise Architecture Committee**: page 97.

The **POPIA Steering Committee** and dedicated working groups oversee the Group's initiatives to ensure that legal and regulatory compliance objectives are achieved as intended in relation to privacy and systems (supported by appropriate mechanisms, policies and procedures).

The **Data Council** guides the data governance programme, oversees data governance projects and initiatives, approves Group-wide data policies and standards, and provides ongoing data support, understanding, and awareness[1].

Group IT supports the principles and practices of good information security governance, including transparent, responsible and accountable dealings with stakeholders.

The **IT governance framework** covers IT risk and compliance and carefully manages risk exposure to acceptable levels. The framework guidelines and IT operating model are measurable, ensuring that the governance of our IT processes and resources is effective and efficient, and that the integrity, continuity, confidentiality and availability of information is managed in a cost-effective manner.

Key policies include: access to information and privacy policy and the Personal Information Management System manual online.

*Read more about our approach to data management and privacy: **page 103**.*

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1. Other IT governance structures include the Continuous Business Improvement Committee and the Change Advisory Board.

ESG governance overview continued

Key ESG-related activities undertaken by the Board and its committees in FY 2025

Key focus areas of the Board:
- Considered the Group's plans to achieve its FY 2030 environmental objectives, monitored progress against the Group's 2030 environmental strategy (particularly relating to renewable energy and waste-to-energy projects) and requested more information on the impact of AI and data centres on the environment and energy and water consumption.
- Monitored the Group's progress against transformation and B-BBEE targets, noting recent related regulatory and policy developments, and monitored the Group's B-BBEE initiatives (eg socioeconomic development, procurement, ESD, and workplace DEI and belonging).
- Kept abreast of the Group's various HR initiatives to improve employee turnover.

Oversaw:
- Engagements with regulators to ensure compliance.

Monitored:
- Ethics, competition law awareness and conflicts of interest training across the Group.
- The impact of the NHI Act and other sector regulations.
- Implementation of the major emergency preparedness and readiness project following the Netcare Pretoria East Hospital fire.
- Digital and data projects and IT imperatives.
- Privacy control enhancement initiatives, POPIA incident reporting automation and employee training on cybersecurity and POPIA.
- Performance against the FY 2025 Group BSC and the progress of strategic projects.
- Employee engagement, talent attraction and retention initiatives and employee wellness initiatives, and the Group's investment in learning and development to build a diverse talent pipeline.
- The continued rollout of Care4YOU.
- Initiatives to address risks related to utility cost variability.
- Engagement with sector and business associations on issues such as the nursing shortage, NHI Act and universal healthcare.
- Compliance with reporting requirements following amendments to the Companies Act.

Reviewed:
- Incidents of alleged misconduct, the responsible use of data and AI, and Board and Executive Committee member declarations regarding personal financial interests.
- The 2030 HR strategy, the rollout of MyNetCareer, the results of the Top Employers Institute survey, and strategies to address the nursing shortage.
- Board diversity, qualifications and capacity and Executive Committee and strategic leadership succession plans.
- The composition of the Social and Ethics Committee and other governance committees.
- Strategies to mitigate and manage risks, particularly the supply of water, the availability and quality of skills and cybersecurity.
- The effectiveness of internal controls that ensure the integrity of the Group's reporting.
- Cybersecurity strategies and disaster recovery plans, including policies and interventions targeting information management, data security, and the protection of personal information.
- Regulatory, case law, policy and guideline updates and kept abreast of regulatory developments that may create risk exposure for the Group.
- The annual income differential (gender) and vertical income analyses.
- Engagements with various ESG rating agencies.
- The stakeholder engagement policy.

Approved:
- The establishment of AI governance and management structures.
- The Group's top ESG-related business risks and rankings.
- The outcome of FY 2025/26 wage negotiations.
- Annual salary increase criteria, SIP[1]-related incentive payments and the FY 2026 Group BSC, which includes ESG-related targets.
- The external cyber risk forensic assessment.

Reviewed and approved:
- The Group's material matters, which form the basis for preparing the integrated and ESG reports.
- Updated Terms of Reference to align with the Companies Amendment Act.

Assessed:
- The performance and independence of non-executive directors standing for re-election.
- Internal and external cybersecurity control verifications.
- The need for a cybersecurity survey.

Noted:
- Amendments to the Employment Equity Act and its sector-specific targets.
- Preparations made for amendments to the Companies Act related to earnings gap reporting.

The Board met four times in FY 2025

Detailed information on Board activities during FY 2025 can be found in our shareholder report online: Governance report.

1. **SIP:** Single Incentive Plan.

Ethical and compliant business conduct

We are committed to high moral, ethical and legal standards, and support the code, principles and values as espoused in various laws and regulations governing our operations and people.

Approach to ethics

We take a zero-tolerance approach to theft, fraud and corruption, as well as bullying, discrimination and racism. All employees are expected to fulfil this commitment, including our policy of fair dealing and integrity when conducting Netcare's business. Our values, policies and Code of Conduct provide a governing framework for ethical leadership and behaviour, which is further supported by a human rights awareness programme that forms part of our induction programme.

*Read about supplier policies and assessments: **page 102**.*

*Read about how we govern ethics and compliance: **page 98**.*

Initiatives and mechanisms in place to support an ethical culture

Code of Conduct	Guides interaction between the Group and its stakeholders, including its partners and suppliers in the healthcare value chain. Employees are required to disclose any potential conflict of interest, as well as any gifts or invitations from a supplier or third party.
Ethics management programme	We conduct an annual ethics survey. The survey assesses familiarity with the ethics programme (policies and structures) and aims to elicit a view of the organisational culture (leadership and engagement) and an understanding of how core values are lived and executed in daily decision-making by management. All new employees receive training on anti-corruption, with periodic roadshows conducted to raise awareness. SOPs are regularly reviewed and updated if appropriate.
Remuneration policy	Aligns our corporate strategy, performance and the values and behaviours of our people. It also ensures the fair, equitable and consistent reward of our people.
Netcare Clinical Practice Committee	Sets governance guidelines and monitors compliance with clinical governance criteria relating to clinician conduct.
Incident management system	Used to log incidents of a clinical nature (eg patient falls or incorrect medication) as well as issues of a forensic nature. The system is regularly reviewed to identify incidents and initiate the appropriate follow-up with the business.
SHOUT Line	Our anonymous toll-free line (managed by Lyra) enables employees to report alleged or perceived racism, sexism, discrimination, harassment, or human rights violations. Through this reporting mechanism, we identify discriminatory attitudes, behaviours and practices within our organisation. Each case reported is investigated (provided the employee has given their consent) and appropriate corrective action is taken.
Forensic services	Investigates all reported incidents of theft, fraud and corruption and (where appropriate) cases are reported to the South African Police Services and to the applicable registered bodies such as the HPCSA, SANC and SAICA[1]. Civil recoveries are pursued by prejudiced business units where financially appropriate. Employees, management and external parties[2] can report irregularities[3] to forensic services via the Fraud and Ethics Hotline on **0860 372 831** (for stakeholders wanting to protect their anonymity), a dedicated email for fraud reporting (**fraud@netcare.co.za**), or through direct communication with forensic services. Fraud trends are communicated to business units that might be impacted by identified incidences of fraud. Every incident reported through these mechanisms is investigated and logged in the defalcation register and regularly reported to management. A summary of the defalcation register, fraud trends and material incidents is provided to the Audit, Risk and Social and Ethics committees at every meeting.

1. **HPCSA:** *Health Professionals Council of South Africa;* **SANC:** *South African Nursing Council;* **SAICA:** *South African Institute of Chartered Accountants.*
2. *Including the public, suppliers and patients.*
3. *Such as alleged theft, or fraudulent, corrupt, or unethical behaviour (including unethical medical behaviour).*

Ethical and compliant business conduct continued

Human rights

Our operations and strategies align with the human rights principles encapsulated in SA's Constitution. This covers child, forced or compulsory labour, and the right to freedom of association and collective bargaining. Our adherence to these principles is further supported by our human rights awareness programme.

Regulatory compliance

We adopt a risk-based approach when reviewing the Group's policies. All divisions, business units, operational and administrative business areas and subsidiaries are required to comply with all applicable legislation and regulations. Each area conducts an annual governance, compliance, legislative and contractual risk review, and evaluates the regulatory environment impacting the Group and the healthcare and financial services sectors.

Key metrics and performance

Reported incidents of misconduct

- **15** Fraud and Ethics Hotline
- **96** Fraud email reporting service
- **153** Direct communication with forensic services
- **68** Incident management system
- **19** Other channels (eg customer services and Fraud WhatsApp)
- **351** Total reports (FY 2024: 297)
- **337** Total incidents investigated and closed[1] (FY 2024: 286)

Anonymous toll-free SHOUT Line

5

cases of unfair discrimination, racism, workplace bullying and/or human rights violations reported. **All** cases were resolved.

FY 2024: 6

Human rights training

5 654

hours training **4 811** employees.

FY 2024: 4 872 hours, 4 569 employees

Netcare Clinical Practice Committee

77

cases referred to the committee, with most resolved by year end. Privileges were revoked for **2** practitioners, and of the cases referred to the HPCSA[2], **4** guilty verdicts were returned.

FY 2024: 62 cases, 3 revoked, 7 guilty verdicts

Medical ethics

Zero

incidents of alleged unethical behaviour reported.

FY 2024: 1

Ethics, anti-corruption and bribery training

4 742

employees trained.

FY 2024: 4 544

Environmental, social and economic laws and regulations

Zero

fines or non-monetary sanctions for non-compliance.

FY 2024: 0

The year-on-year increase in incidents relating to fraud and irregularities is attributable to the fraud awareness initiatives undertaken by forensic services, including policy and procedure refreshers, adding fraud awareness infographics to employee payslips, Group-wide fraud awareness training, a digital awareness campaign etc. Most incidents reported related to theft and various types of fraud, including medical aid fraud and document forgery (eg fraudulent proof of payment).

There were **no** (FY 2024: 0) material incidents of non-compliance relating to the health and safety impact of products and services and **none** (FY 2024: 0) relating to regulations on voluntary marketing communications.

Additional performance items for FY 2025 included: continuing to implement policies that ensure regulatory compliance and value creation for all stakeholders; proactively engaging with regulatory bodies as part of our broader stakeholder engagement programme; rolling out the Group legal ethics and compliance survey in November 2025 (various interventions will be implemented to address areas identified for improvement); providing competition law training to the Board, Executive Committee, divisional executive committee, and funders and procurement teams; and rolling out **12** webinars to employees on competition law, compliance, ethics and managing conflicts of interest.

1. *Open cases are still under investigation.*
2. **HPCSA:** *Health Professions Council of South Africa*

Ethical and compliant business conduct continued

Ensuring ethics in our supply chain

When selecting suppliers, we consider the quality of products or services, compliance with applicable regulations and Netcare's expectations and strategy, as well as cost containment, sustainability, financial stability, and the quality of customer service. The criteria for selecting suppliers vary depending on the type of product or service procured.

We require all suppliers to familiarise themselves with Netcare's sustainable procurement policy, published on our website and our supplier management portal[1]. All new vendors listed are required to agree to our standard terms and conditions of trade. These require that they supply goods and services in line with prevailing good industry practice and Netcare's policies and procedures[2]. Our supplier listing process includes a compliance declaration form covering fair labour practices, including freedom of association and collective bargaining; human rights, including equal opportunity employment and non-discrimination; and environmental considerations. Our digitised source-to-contract platform supports enhanced supplier-related risk mitigation processes.

Environmental impact

Where applicable, we conduct environmental impact assessments of suppliers based on the type of goods or services procured and where they are produced. We request emissions reports from our top suppliers. As HCRW[3] can have a negative environmental impact when not treated according to applicable laws, we assess the compliance of HCRW treatment plants and related service providers and prioritise treatment plants that use environmentally sustainable technologies and support our objective of zero waste to landfill. In FY 2025, we continued to engage with suppliers on measuring, managing and reducing their emissions, with the medium to longer-term aim of reducing the Group's carbon footprint and environmental impact. We also continued to drive procurement localisation initiatives that will further reduce Scope 3 emissions.

Social impact

Where the major component of the service procured is related to human resources, we consider these suppliers to be at risk for labour-related issues such as the right to exercise freedom of association and collective bargaining. These services include cleaning, catering and security service providers. Industrial action in these businesses may impact the quality and continuity of the services provided to Netcare. This risk is covered in our service level agreements.

Key supply chain ethics metrics and performance

Contract terminations due to non-compliance and/or negative impacts	Suppliers with negative environmental impacts	Suppliers with negative social impacts
Zero	**Zero**	**Zero**
supplier contracts terminated due to negative social or environmental impacts.	suppliers identified as having actual and potential negative environmental impacts.	suppliers identified as having significant negative social impacts.
FY 2024: 1	FY 2024: 0	FY 2024: 0

📄 *Read more about our approach to procurement: **page 80**.*

1. *Suppliers may register on this portal to access key information and policies.*
2. *Including those relating to data privacy and protection regulations and practices.*
3. ***HCRW:** healthcare risk waste.*

Protecting data and stakeholder privacy

As the Group's digital capabilities grow ever more sophisticated, IT is both an operational enabler and a vital strategic asset for creating opportunities, gaining competitive advantage and ensuring sustainability. Continuing to advance our digitisation strategy increases our reliance on IT systems (including AI) for all business operations.

The shift towards digital connectivity and transformation is being met with cyberthreats that are escalating in frequency, complexity and severity. Defending against cyberattacks increases the cost of doing business (as organisations must invest in sophisticated prevention and response systems). Compromised security has serious implications for data privacy and protection and is associated with intensifying reputational and financial impacts.

Read more about digitisation in the <u>*integrated report online*</u>.

Our approach to cybersecurity

Our approach to cybersecurity emphasises continuous improvement, resilience and proactive monitoring, supported by a control framework that is effective at detecting, preventing and responding to security events. Our risk-based cybersecurity strategy identifies the specific information, security controls, recovery, defences and level of protection that must be applied to our digital assets. This ensures that exploitable critical vulnerabilities and risks are remediated or mitigated as soon as possible.

Our outsourced SOC and SIEM[1] platform enables proactive monitoring by utilising additional data sources and services (including regular cyberthreat hunting), while our security partners provide advanced cyber protection capabilities that reinforce our defences. AI is increasingly used in our SOC to speed up incident detection and response. A continuous monitoring service for our external systems and services is in place, and a dedicated 'red team' is authorised to emulate potential attacks or exploitation capabilities against the Group's security posture.

Our experienced internal cybersecurity team is complemented by external experts, and our next-generation technologies are matched by equally robust control frameworks. We monitor our performance and regularly verify controls (internally and externally) to ensure their continued effectiveness. Instances of non-compliance are timeously managed by a dedicated team that ensures they are documented, reported and corrected (where appropriate).

We are committed to maintaining robust technical and organisational safeguards that are aligned with recognised information security standards to protect the confidentiality, integrity and availability of personal information. These measures are designed to prevent the loss, damage or unauthorised destruction of personal information as well as guard against unlawful access or processing.

We maintain a sound approach to implementing privacy protection measures across all business operations, aligned with applicable privacy and data protection laws.

1. **SOC:** security operations centre; **SEIM:** security incident and event management.

Protecting data and stakeholder privacy continued

Data protection initiatives

Our data protection safeguards are based on international best practice standards and control frameworks. Their effectiveness is regularly verified by internal and external parties. Reasonable mechanisms, tools and technologies are implemented to detect, prevent and respond to security events.

Best-of-breed data protection technologies are used to safeguard digital assets across the Group (eg endpoint detection and response systems, detailed ransomware playbooks, next-generation vulnerability management, threat portal monitoring, threat intelligence and hunting, active dark web monitoring, identity and access management systems and controls etc). Netcare's enterprise security tools are ranked highly by Gartner Peer Insights.

Third-party agreements are carefully managed and access to our data and systems is only granted to suppliers who need access to meet their contractual obligations. These suppliers are subject to strict controls (eg identity and access management, reviews, audits, monitoring, contracts with stringent privacy clauses[1]) to ensure that personal information is processed in accordance with applicable data protection and privacy laws.

Continuous information security awareness is reinforced through training and/or awareness programmes[2] to ensure data confidentiality, integrity and availability to support critical business functions. We ensure that access is restricted to authenticated users and processes, and that our information assets remain adequately controlled. 100% participation in security training modules is required and users who do not comply have their access restricted – **over 90%** compliance was achieved this year (FY 2024: 85%).

Data privacy

The Group privacy strategy remains unchanged, with key strategic initiatives for FY 2025 including internal privacy assessments[3], addressing third-party risk exposure, continued reinforcement of privacy obligations and policy, privacy training and awareness and automating certain reporting protocols.

Key privacy initiatives and responsibilities are tracked monthly by means of a balanced scorecard, and privacy assessments are conducted every quarter across all divisions. Updates and concerns are reported to the POPIA Steering Committee.

Third-party compliance to our privacy strategy and framework is rigorously monitored and assessed.

Big Data analytics platform

Implementation of the Big Data analytics platform was a significant strategic initiative during FY 2025. To date, it has been populated with **16** data domains (**ten** added in FY 2025). **Six** satellite business units – nursing, funders, pharmacy, digital clinical pharmacy, infection prevention and control and emergency department – use the platform independently. This enables teams to identify, plan and monitor data driven clinical improvement projects that enhance patient safety, quality of care and overall cost per event. The self-service analytics and research tool that makes use of data from the platform has **18** domains to date, including clinical measurements, patient feedback scores, pathology and radiology orders, doctor and healthcare worker consults and employee safety data etc.

The platform organises patient information by using a unique identifier for each patient as a central reference point, enabling the construction of comprehensive patient event timelines. It also seeks to democratise data access, ensuring that information can be distributed to and accessed by those who need to analyse and interpret it. Data domains, grouped by theme, make it easy for users to locate relevant information. Throughout the year, targeted training initiatives have enhanced user proficiency.

The platform addresses data security and patient privacy requirements through the use of synthetic data, supporting research and facilitating doctor collaboration. It delivers robust clinical analysis and reporting and ensures outcomes are both accurate and auditable.

Read further about the platform in our __integrated report online: Intellectual capital__.

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1. Including non-disclosure agreements, privacy impact assessment questionnaires, user access agreements, annual security and privacy assurance confirmation, notification of security incidents, multifactor authentication and resource access restrictions for remote access accounts, a data use and reciprocal support agreement, and monitoring by the Netcare threat intelligence tool. Assurance reports are obtained for any third-party applications used to access our data.
2. Including newsletters, videos, questionnaires and simulated phishing emails.
3. Conducted quarterly by management and used to determine the privacy risk postures of various divisions and functions.

Protecting data and stakeholder privacy *continued*

Innovation exploration

We continue to advance our research, development and testing of tools that use machine learning, generative AI, large language models, data management and advanced analytics. In FY 2024, **seven** proofs of concept were delivered, with **five** successfully implemented as operational solutions this year. In FY 2025, **four** new proofs of concept were introduced and tested.

Key metrics and performance

Cyber risk self-assessment and external forensic assessment	POPIA training	Third-party privacy impact assessments	Internal privacy assessments
Results indicate that we have maintained a performance rating **well above sector and global averages.**	**18 483 (98%)** employees completed training. **All** new employees receive privacy training. FY 2024:18 093 (97%)	**370** FY 2024: 379	**589** suppliers surveyed to determine their risk postures and assess the level of personal information processed. FY 2024: not reported

Additional performance items for cybersecurity for FY 2025 included: continuing to educate our people about cybersecurity risks; continuing to develop our data management capabilities and investigating and implementing solutions and processes that enable the Group to effectively identify, prevent and recover from cyber incidents; and contracting an external service provider to perform additional vulnerability assessments.

Regarding privacy, **71** (FY 2024: 60) privacy incidents were reports to the Information Regulator, **32** (FY 2024: 11) have been closed and **none** pose a material threat. Targeted privacy training was provided to **307** third parties and **640** employees received targeted privacy incident training. Additional performance items for data governance and privacy for FY 2025 included: issuing privacy alerts and newsletters as well as a privacy compliance guide to Hospital Division employees; providing employees with additional training as required; and launching **five** new privacy incident training videos which encourage engagement. As of early FY 2026, we have begun to automate POPIA incident reporting.

05

ADDITIONAL INFORMATION

TCFD index

Detailed disclosure on our management of climate change-related issues can be found in our *CDP submission online*[1].

KEY: **ESG:** *2025 ESG Report* | **IR:** *2025 Integrated Report* | **SR:** *2025 Shareholder Report*

Governance		
Disclose the organisation's governance around climate-related risks and opportunities.	**1.1 Board oversight** Describe the Board's oversight of climate-related risks and opportunities.	**CDP:** C4 **ESG:** ESG governance overview: **page 93.**
	1.2 Role of management Describe management's role in assessing and managing climate-related risks and opportunities.	**CDP:** C4 **ESG:** ESG governance overview: **page 93.** **ESG:** Ethical and compliant business conduct: **page 100.**

Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning, where such information is material.	**2.1 Identify risks and opportunities** Describe the climate-related risks and opportunities over the short, medium and long term.	**CDP:** C5 **ESG:** Our ESG risks and opportunities: **page 13.** **ESG:** ESG governance overview: **page 93.** **IR:** Our risks and opportunities: **page 64.** **IR:** Our material matters: **page 18.** **SR:** Governance report: **page 4.**
	2.2 Impact on investment strategy Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	**CDP:** C5 **ESG:** Our ESG risks and opportunities: **page 13.** **ESG:** Minimising our environmental impact: **page 28.** **IR:** Our risks and opportunities: **page 18.**
	2.3 Resilience of investment strategy Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	**CDP:** C5

1. *CDP submissions from 2024 onwards are now accessible through subscription, previous submissions are available via the online portal and do not require payment.*

TCFD index _continued_

Risk management

Disclose how the organisation identifies, assesses, and manages climate-related risks.

3.1 Processes for identifying and assessing risks and opportunities
Describe the processes for identifying and assessing climate-related risks.

CDP: C2
ESG: Our ESG risks and opportunities: **page 13**.
IR: Our risks and opportunities: **page 64**.
SR: Governance report: **page 4**.

3.2 Processes for managing risks and opportunities
Describe the processes for managing climate-related risks.

CDP: C3
ESG: Our ESG risks and opportunities: **page 13**.
ESG: Our environmental sustainability programme: **page 33**.
ESG: ESG governance overview: **page 93**.
IR: Our risks and opportunities: **page 64**.

3.3 Integration into risk management processes
Describe how the processes above are integrated into existing risk management processes.

See 3.1 and 3.2 above.

Metrics and targets

Where such information is material, disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

4.1 Disclose the metrics
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

CDP: C7
ESG: Minimising our environmental impact: **page 28**.
IR: Natural capital: **page 112**.

4.2 Disclose emissions
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3, greenhouse gas emissions, and the related risks.

CDP: C7
ESG: Our ESG risks and opportunities: **page 13**.
ESG: Our environmental sustainability programme: **page 33**.
ESG: Reducing our carbon footprint: **page 36**.
IR: Our material matters: **page 18**.
IR: Our risks and opportunities: **page 64**.
IR: Manufactured capital: **page 109**.
IR: Natural capital: **page 112**.

4.3 Disclose the targets
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

ESG: Our environmental sustainability programme: **page 33**.
ESG: Reducing our carbon footprint: **page 36**.
IR: Natural capital: **page 112**.

Glossary

Doctors

Independent specialists across all clinical disciplines, including physicians, surgeons, GPs, psychiatrists, anaesthesiologists, radiologists, dentists, nephrologists, pathologists and other specialists.

Healthcare practitioners

Doctors

+

Allied healthcare professionals (psychologists, radiographers, dental hygienists, occupational therapists, physical therapists, radiographers etc)

+

Registered nurses, enrolled nurses and auxiliary nurses

United Nations Sustainable Development Goals

Good health and well-being
Target 3.1. Reduce the global maternal mortality ratio.
Target 3.2. End preventable deaths of newborns and children younger than five years of age.
Target 3.3. End the epidemics.
Target 3.4. Reduce premature mortality from non-communicable diseases.
Target 3.8. Achieve universal health coverage.

Quality education
Target 4.3 and 4.5. Equal access to affordable and quality technical, vocational and tertiary education, including university, including the vulnerable.
Target 4.4. Increase the number of youth and adults with relevant skills.

Gender equality
Target 5.5. Equal opportunities for women in leadership and decision-making roles.

Clean water and sanitation
Target 6.3. Halving the proportion of untreated wastewater and substantially increasing recycling and safe re-use globally.
Target 6.4. Increase water-use efficiency.

Affordable and clean energy
Target 7.2 and 7.3. Increase the share of renewable energy in the global energy mix and double the global rate of improvement in energy efficiency.

Decent work and economic growth
Target 8.2. Achieve higher levels of economic productivity through technological upgrading and innovation.
Target 8.3. Support productive activities, decent job creation, entrepreneurship, creativity and innovation and growth of SMMEs.
Target 8.4. Improve global resource efficiency and endeavour to decouple economic growth from environmental degradation.
Target 8.5. Achieve employment and decent work for all, women, men, young people and persons with disabilities, and equal pay for work of equal value.
Target 8.6. Reduce the proportion of youth not in employment.
Target 8.8. Protect labour rights and promote safe and secure working environments.

Industry, innovation and infrastructure
Target 9.3. Increase the access of small enterprises to financial services, including affordable credit, and their integration into value chains and markets.

Responsible consumption and production
Target 12.5. Reduce waste generation through prevention, reduction, recycling and re-use.

Climate action
Target 13.1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters.

Peace, justice and strong institutions
Target 16.5. Reduce corruption and bribery in all their forms.
Target 16.6. Effective, accountable and transparent institutions.
Target 16.7. Responsive, inclusive, participatory and representative decision-making.
Target 16.10. Ensure public access to information.

Glossary *continued*

AGM:	annual general meeting
AI:	artificial intelligence
app:	application

B-BBEE:	broad-based black economic empowerment
BESS:	battery energy storage system
BHF:	Board of Healthcare Funders
BMI:	body mass index
Board:	the Board of directors
BR:	business risk
BSC:	balanced scorecard
BUSA:	Business Unity South Africa

Capex:	capital expenditure
CDP:	formerly the Carbon Disclosure Project
CEO:	chief executive officer
CFO:	chief financial officer
CO$_2$:	carbon dioxide
COID:	Compensation for Occupational Injuries and Diseases
COP21:	UN Climate Change Conference, Paris, 2015
COVID-19:	Coronavirus disease 2019
CPD:	continuous professional development
CPR:	cardiopulmonary resuscitation
CSI:	corporate social investment

DEI:	diversity, equity and inclusion
DFFE:	Department of Forestry, Fisheries and the Environment
DoEL:	Department of Employment and Labour
dtic:	Department of Trade, Industry and Competition
dtic Codes:	Department of Trade, Industry and Competition's Broad-based Black Economic Empowerment Codes of Good Practice

EAF:	energy availability factor
EAP:	economically active population
EBITDA:	earnings before interest, tax, depreciation and amortisation
EME:	exempted micro enterprise

ESC:	Essential Services Committee
ESD:	enterprise and supplier development
ESG:	environmental, social and governance
ESP:	Enterprise Sustainability Platform

FATF:	Financial Action Task Force
FY:	Financial year

GBV:	gender-based violence
GDP:	gross domestic product
GHG:	greenhouse gas
GJ:	gigajoules
GP:	general practitioner
GRI:	Global Reporting Initiative
GWh:	gigawatt hours

HASA:	Hospital Association of South Africa
HCRW:	healthcare risk waste
Healthcare provider:	Netcare and our peers
HEPS:	headline earnings per share
HFA:	Health Funders Association
HPCSA:	Health Professions Council of South Africa
HPFL:	Health Partners for Life
HQF:	Higher Qualifications Framework
HR:	human resources
HSR:	human health and social work sector representation
HVAC:	heating, ventilation and air-conditioning
HWSETA:	Health and Welfare Sector Education and Training Authority

IFRS:	International Financial Reporting Standards
ILO:	International Labour Organization
IMF:	International Monetary Fund
IoT	Internet of Things
IRAS:	Integrated Reporting and Assurance Services
IRR:	internal rate of return

Glossary *continued*

ISO:	International Organization for Standardization
ISSB:	International Sustainability Standards Board
IT:	information technology

JSE:	JSE Limited

King IV:	King Report on Corporate Governance for South Africa (2016)
King V:	King V Report on Corporate Governance for South Africa (2025)
kg:	kilograms
kl:	kilolitres
KPIs:	key performance indicators
kWh:	kilowatt hours

LED:	light-emitting diodes
LGBTQIA+:	lesbian, gay, bisexual, transgender, queer/questioning, intersex, asexual and more
LPG:	liquid petroleum gas

MWh:	megawatt hours
MWp:	megawatts peak

NDoH:	National Department of Health
NGO:	non-governmental organisation
NHI:	National Health Insurance (South Africa)
NNCPD:	Netcare Nursing Continuing Professional Development
NPAT:	net profit after tax
NPO:	non-profit organisation
NQF:	National Qualifications Framework

OHS:	occupational health and safety
OHSC:	Office of Health Standards Compliance
Opex:	operational expenditure

PMB:	Prescribed Minimum Benefits
POPIA:	Protection of Personal Information Act 4 of 2013
PPD:	per patient day
PPP:	public private partnership

PV:	photovoltaic
PVC:	polyvinyl chloride

QSE:	qualifying small enterprise

ROIC:	return on invested capital

SA:	South Africa
SADAG:	South African Depression and Anxiety Group
SAHPRA:	South African Health Product Regulatory Authority
SAICA:	South African Institute of Chartered Accountants
SAICE:	South African Institute of Civil Engineering
SAMA:	South African Medical Association
SANC:	South African Nursing Council
SAPPF:	South African Private Practitioners Forum
SARB:	South African Reserve Bank
SBTi:	Science Based Targets initiative
SDGs:	Sustainable Development Goals
SDP:	skills development period (1 April to 31 March)
SENS:	Stock Exchange News Service
SHEQ:	safety, health, environmental sustainability and quality
SIEM:	security incident and event management
SIP:	Single Incentive Plan
SMMEs:	small, medium and micro enterprises
SOC:	security operations centre
SOP:	standard operating procedure

TCFD:	Task Force on Climate-related Financial Disclosures
tCO$_2$e:	tonnes of carbon dioxide equivalent

UN:	United Nations
US$:	United States dollar

WHO:	World Health Organization

Introduction

Our approach to ESG

Environmental impact

Social Impact

Governance

Additional Information

Corporate information

Company registration number

Registration number 1996/008242/06

Business address and registered office

Netcare Limited
76 Maude Street (corner West Street),
Sandton 2196
Private Bag X34,
Benmore 2010

Company secretary

Charles Vikisi
Tel no: +27 (0) 11 301 0265
charles.vikisi@netcare.co.za

Investor relations

ir@netcare.co.za

Customer call centre

0860 NETCARE (0860 638 2273)
customer.service@netcare.co.za

Fraud line

0860 fraud 1 (086 037 2831)
fraud@netcare.co.za

JSE information

JSE share code: NTC (Ordinary shares)
ISIN code: ZAE000011953
JSE share code: NTCP (Preference shares)
ISIN code: ZAE000081121

Sponsor

Nedbank Corporate and Investment Banking,
a division of Nedbank Limited
Third floor, F Block, Nedbank
135 Rivonia Campus
135 Rivonia Road
Sandown, Sandton, 2196

Transfer secretaries

CTSE Registry Services
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Woodstock, Cape Town,
7925
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Auditors

Deloitte & Touche

Principal bankers

RMB Private Bank
Nedbank Limited

Selected websites

www.netcare.co.za
www.nrc.co.za

Introduction

Our business

How our board supports
value creation

How our strategy drives
value creation

Our value outcomes
for the year

Administration

Disclaimer

Certain statements in this document constitute 'forward-looking statements'. Forward-looking statements may be identified by words such as 'believe', 'anticipate', 'expect', 'plan', 'estimate', 'intend', 'project', 'target', 'predict' and 'hope'. By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future, involve known and unknown risks, uncertainties and other facts or factors which may cause the actual results, performance or achievements of the Group, or the healthcare sector to be materially different from any results, performance or achievement expressed or implied by such forward-looking statements. Forward-looking statements are not guarantees of future performance and are based on assumptions regarding the Group's present and future business strategies and the environments in which it operates now and in the future. No assurance can be given that forward-looking statements will prove to be correct and undue reliance should not be placed on such statements.

Any forward-looking information contained in this notice has not been audited and reported on by the Company's external auditor.

Forward-looking statements apply only as of the date on which they are made, and Netcare does not undertake other than in terms of the Listings Requirements of the JSE Limited, to update or revise any statement, whether as a result of new information, future events or otherwise.

The normalised information has been prepared for illustrative purposes only, which is the responsibility of the directors. It has not been reviewed or reported on by the auditor because of its nature, and may not fairly represent Netcare's financial position, changes in equity, results of operations or cash flows.

Bastion

NETCARE