

Sustainability report and ESG roadmap

The Bell Equipment sustainability report presents our stance and journey on sustainability management, social innovation business and ESG as well as initiatives conducted in fiscal 2023 (including initiatives addressing our material matters). This report is intended as an engagement tool for all stakeholders to disclose information in accordance with international guidelines, including the United Nation’s Sustainable Development Goals (SDGs). Bell Equipment subscribes to the SDGs, which reflects our commitment to responsible business practices and global citizenship. We recognise the interconnectedness of economic, social, governance and environmental wellbeing and work within our spheres of influence to address challenges such as quality education and responsible consumption and production to create positive and lasting impacts for the business and the society in which we operate.

We are progressing our sustainability journey through the three focus areas that we consider material themes on page 13 for the group’s future from an ESG perspective - namely: responsible environmental stewardship, helping our people thrive and principled governance. In this process, we examine current and prospective business opportunities and assess impacts for stakeholders.

Our sustainability road map





Environmental pillar

Manufacturing for efficiency



Our focus on continuous improvement in manufacturing means our manufacturing processes grow stronger and more reliable as we progress. The Bell WOW initiative (war on waste) builds on the foundations laid during the development of Bell Equipment and forms part of the larger 1-BELL philosophy ensuring all our activities are focused on ultimately serving our customers, employees, and other stakeholders.

Strong progress has been made in Bell 5 (5 S initiative) in terms of measuring our manufacturing processes and identifying waste. Measuring and making these measures visible to the team has resulted in improved utilisation of our resources over the year and improved reporting of lost time from the shopfloor.

With these foundations set we are moving into the projects phase of the initiative where improvements can be prioritised, measured, and managed. The motivating effect of participating in improvement projects which improve processes, and the workplace, cannot be overestimated. These projects will be identified and driven from each team ensuring ownership and permanence in the long term.

This will achieve three key objectives of:

1. better utilisation of industrial engineering and production resources,
2. quantifiable improvements to efficiency, and therefore
3. a tangible improvement in employee attitude and morale.

Manufacturing resources will also be better positioned to execute on BHI and new product strategies planned for 2024 and into the future.

The resilience initiative and our Kindel plant assembly and manufacturing processes will be the next phase of this initiative starting mid 2024 where we will be incorporating the lessons learnt during the first phases.

The thin plate plant is our WOW pilot area and consists of six different work centres. At the operator level we measure how many components a welder can make in the target time per shift.

Target time is the time available for production after allowances for a lunch break and clean up at shift end.

Available time is the actual time spent on production after lost time, which includes time waiting for parts, breakdowns, etc.

Produced time is any components made multiplied by the standard time to produce the component.

$\% \text{ Utilisation} = \text{Available time} / \text{Target time}$
 $\% \text{ Efficiency} = \text{Produced time} / \text{Available time}$

Typically, utilisation is in the control of management, and efficiency is a measure of the operator.

Since February 2022, when we started measuring, two variables have improved:

- the consistency of the measures (erratic in the first year)
- the % utilisation, which was initially measured at around 60% is now above 90%.

This is attributed to a combination of better reporting, higher awareness, and actual increased utilisation.

5 S

is a system to reduce waste and optimise productivity through maintaining an orderly workplace and using visual clues to achieve more consistent operational results

The 5 S pillars:

- Sort
- Set in order
- Shine
- Standardise
- Sustain

10% improvement in utilisation across the Richards Bay factory in FY2023



Innovating and growing our own IP

Bell Equipment has long understood the role that continuous innovation and growing IP plays in strengthening the group's brand credibility on a global scale, which in turn impacts on its long term economic sustainability.

Having invested significantly in research and development of the Bell tracked carrier, Bell is eager to explore the market potential of this range outside of its originally intended market of North America. With its ability to 'go anywhere and do anything', Bell sees potential to expand market reach and growth, most notably in Europe, where the machine was enthusiastically received at the Bauma Germany expo. The group is currently in the process of attaining the CE mark for Europe. The tracked carrier has also generated interest from the African drilling industry where its versatility makes it entirely suitable for carrier applications.

The implementation of new mining safety regulations in South Africa has driven demand for our pedestrian detection system ('PDS') solutions on new and existing equipment. This validates the forward thinking design of our 'PDS ready' ADTs, which allows for seamless integration with any preferred detection system at the most cost effective price point. This adaptability allows customers to choose the best technology for their specific needs, while complying with current legislation and ensuring operator and pedestrian safety. As the market adjusts to the new landscape, we believe our PDS solutions will establish us as a partner of choice for mines across the country. We've also experienced demand for our PDS ready ADTs from Zambia, where they are now in operation.

Bell has fully autonomous ADTs operating on customer sites in North and South America, where customers are experiencing the site efficiency and safety advantages that this technology delivers. In line with the increase in autonomous machine enquiries – both for full autonomous solutions and remote controlled – additional sites are due to be established in Europe and Australia in 2024. Autonomous remains an important offering and will be a focus when we exhibit during 2024.



R30,5
million

invested in research and development of the Bell tracked carrier.



Environmental

Aligned with the global shift towards environmental consciousness, we acknowledge the moral obligation to provide zero carbon solutions to address environmental sustainability and we are exploring various options to deliver low to zero carbon operations within our product line. Our aim is to exceed customer expectations by innovating environmentally responsible ADT solutions that meet the demands of the market, set new benchmarks in sustainability within our industry, and make a lasting positive impact on the environment.

Bell Equipment is working to expand its underground mining range. The initial focus is the development of a six tonne LHD (load, haul, dump), which fits well with Bell Equipment's manufacturing capabilities and complements our existing underground dump trucks and rock scaler. This LHD marks Bell's first true low profile underground mining machine and will target a niche application in South Africa.

The Bell forestry and agriculture division is developing a harvesting attachment for eucalyptus trees which can fell, debark, delimb and cut trees to the correct lengths for the pulp and pole markets. Known as the Bell 2204E harvesting attachment, it has been well received by the contractor and the landowner in the northern KwaZulu-Natal forest where it is being tested. The contractor has reported production levels on par and better than that of the nearest competitor product. The machine has been presented to dealers who likewise gave positive feedback and are eager to see the attachment in production. Three more test units will now be built and tested in other areas to vary testing conditions.

The attachment is currently running with a Kobelco carrier, but since our software and operating system is designed in house, the attachment and controlling components can be sold as a kit to fit any carrier. New and improved software is being developed to increase the attachment's measuring accuracy and improve the logging and reporting of shift data. This data will be available in the industry standard StanForD format, for seamless integration with all existing customer systems.



Making the grade

The development of the Bell motor grader is a testimony to the group's strength in developing its own IP and creating innovative advancements with complex heavy equipment.

Reliability and precision – key elements of a motor grader's operational excellence – were key focus areas during design and testing. Bell motor grader prototypes have operated in applications ranging from landscaping, mining, road maintenance, road construction and levelling, where both elements have been tested extensively with excellent results.

Technological advancements that have improved efficiency and functionality, along with simplified service and maintenance requirements, place the Bell motor grader at the forefront of innovation and user friendly functionality when tested against other graders.

The Bell motor grader will achieve the objective of increasing manufacturing throughput of the South African factory, while strengthening our product line up to complement our flagship ADT range, and the construction equipment available through our strategic partnerships with JCB, Kobelco and Finlay.

Bell Equipment's long standing expertise in supplying and supporting graders, and the confidence and enthusiasm created during our numerous demonstrations and events, has driven a high interest prior to the start of production.

Production is set to begin at the beginning of 2025. This follows the identification of several opportunities for improvement and the acceleration of the stage 5 project timeline for developed markets.

Delivering value digitally

For Bell Equipment, investing in digital transformation is a necessary journey that enables the group to holistically drive business efficiencies and build value for customers by creating and maintaining new and better integrated solutions. In terms of business efficiency, investment in enterprise resource planning (ERP), which started with the SAP implementation at the ALC and the migration of the logistics hubs and Kindel assembly plant onto the new SAP S4Hana Rise platform, continues with the implementation of SAP for the Richards Bay manufacturing facility in 2024 with the expected completion and go live in 2025.

The Bell ERP roadmap has the ultimate objective of consolidating existing legacy ERPs onto this new platform to provide greater reporting capability, facilitate inventory management and intercompany transacting within the group. It further allows Bell to invest in available add on technology to enhance planning and inventory management capabilities.

Utilising the SAP S4Hana investment and the tools available on this platform, opportunities for internal business process digitisation are actively being explored with the objective of enhancing efficiencies and gaining greater visibility into key internal processes.

Employees will have the capability to address personnel related matters through the upcoming employee portal. This encompasses digital payslips accessible via the employee portal and on mobile devices, a repository for employee related correspondence, and a unified platform for managing employee correspondence.

From an aftermarket perspective, the rollout of the multi echelon planning tool will continue. Measurable improvements have been demonstrated in both off the shelf availability and inventory investment where this solution has been deployed.

The digital technology team is focused on creating easy to use digital tools which makes it effortless for our customers to do business with us, whether it is getting a quote, booking a service, buying a part, troubleshooting a problem, getting advice, evaluating machine productivity and many more.

The business portal has been designed as the 'menu' entry point for customers to get to what they need. The information shared through this portal is kept up to date which eliminates problems with outdated offline and paper copies of information.

The support portal is the heart of linking various systems together creating a digital thread to the source master data. Linking machine information to ownership and the correct support personnel is key to making sure the right people are getting the right data at the right time. Linked to the telematics information, both the customers and the Bell dealer support personnel can be proactive in planning service and repair work needed on each machine to maximise productivity and efficiency. Keeping track of this information over the life of the machine helps plan the continuous support and next life of the machine to create improved value for all.



Green leadership

Bell actively strives for high standards of environmental compliance in all our operations by integrating world class environmental principles into our business processes and our Environmental Policy was reviewed during 2023 to ensure its applicability.

Our material environmental matters are:

1. Energy and decarbonisation
2. Water stewardship
3. Waste management and circularity
4. Impact of climate change

Our commitment to the environment is to:

- Implement and maintain environmental management systems that focus on continuous improvement.
- Reduce environmental impact across the group with emphasis on energy consumption, water usage, waste reduction and recycling.
- Provide ongoing and effective assessment and training to ensure employee knowledge of environmental risks.
- Reduce waste and recycle materials where the means to recycle materials exist.
- Prevent and reduce all forms of pollution by employing effective technologies.
- Increase the use of modern communication techniques to reduce the need for travel.
- Comply with and, where possible, exceed all relevant legislation, commercial requirements and codes of conduct regarding the impact on the environment of our business.
- Maintain transparent, consultative relationships with all stakeholders through effective communication channels.
- Contribute to the long term social, economic and institutional development of our employees and the communities within which our operations are located.
- Effect positive change and ensure that the group's ecological footprint is minimised through innovation and constant monitoring of international best practices.



Our approach towards environmental management

Environmental management is practiced daily with spillages and high risk environmental areas monitored closely by the safety department. Environmental related problems are reported to the safety department and actioned accordingly.

Hazardous waste management, storm water management and hydrocarbon storage and spillage are considered to be high environmental risks.

Assurance is achieved by scheduled internal compliance inspections and annual external audits at the group's main operations.

An accredited external environmental compliance service provider conducted an audit at the Richards Bay facility during 2023 and no reportable incidents or conditions were reported.

1. Energy and decarbonisation

Bell is constantly investigating energy saving programmes and has initiated various energy saving strategies, including the installation of energy efficient lighting, airconditioning, and ventilation. With the global focus on renewable energy as an alternative source of electricity, the group is also cognisant of the need to consider alternative sources of power. In addition to the environmental benefits, this will help Bell remain competitive in South Africa where electricity supply is unreliable and will continue to increase in cost in the foreseeable future.

Richards Bay Factory

Most offices at the Richards Bay factory are equipped with energy efficient airconditioners that use double inverter technology with a 70% power saving capability.

In 2023, a solar power project designed to generate 1MW was undertaken by installing solar panels to the undercover parking bays. This turnkey option offers the quickest return on investment and options exist to expand the project and generate additional power. Although this is a long term cost saving project, the project offers significant operational advantages by reducing generator running costs, and associated emissions, due to load shedding and municipality infrastructure failure.



Richards Bay factory

Jet Park

A 770KW grid tied solar system was completed at the Jet Park operations, which is split between BESSA and the GLC with generator integration. This system provides electricity during daylight hours and reduces electricity costs and the generator running hours during times of load shedding. This project was initiated between Bell and its landlord.

Kindel and ELC Operations

The ELC administration building and offices at the Kindel factory extension are fitted with energy saving lights that are activated by passive infrared motion sensors to contribute to further energy efficiencies.

A gas heating system, currently the most energy efficient way to heat and more environmentally friendly than conventional oil/diesel heating, is used during the winter months. In addition, the warehouse and office building insulation is of the highest available quality thereby providing good heat retention, which reduces gas consumption.

2. Water Stewardship

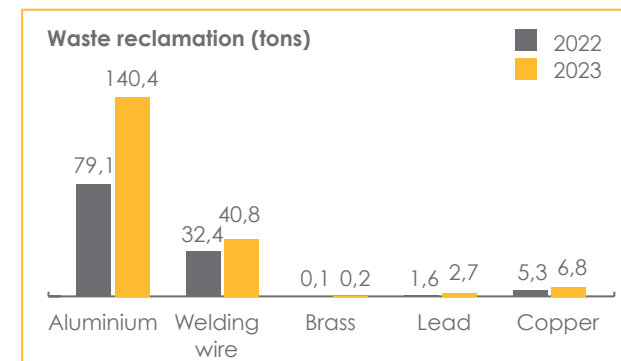
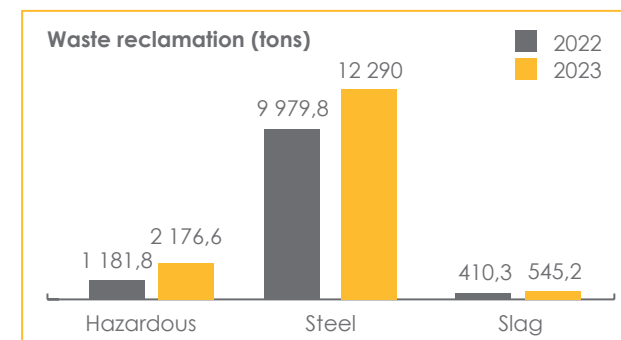
Bell Equipment is involved in the water and environmental management plan of the Richards Bay local municipality and makes recommendations towards water saving initiatives and a cleaner environment through its long standing representation on the uMhlathuze Crisis Committee in Richards Bay.

Harvested rainwater is used in the operational areas of the Richards Bay factory for supplying the wash bays and for flushing toilets and urinals in the factory ablution facilities. Relating municipal water consumption to production, the KI/ADT rate decreased slightly from 11,91 kl/ADT in 2022 to 11,58 kl/ADT in 2023.

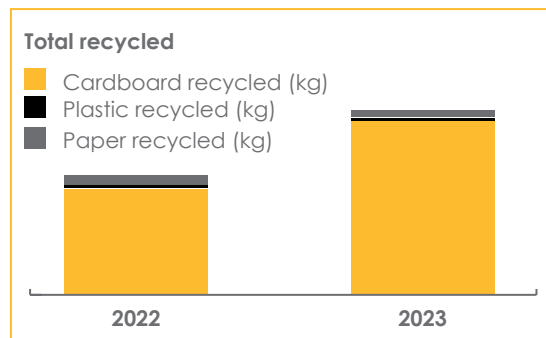
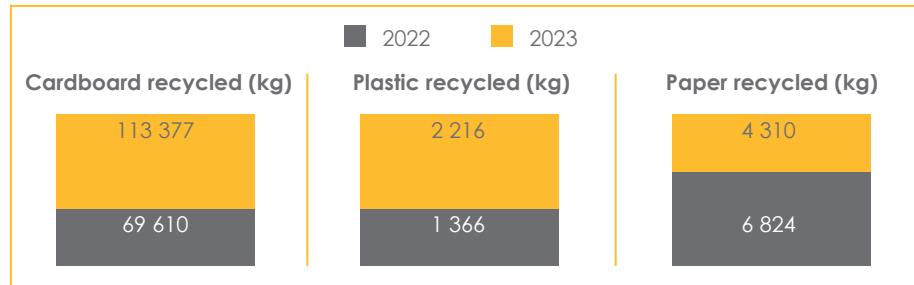
3. Waste Management and circularity

Bell Equipment Richards Bay has completed a programme to classify waste as per the current Waste Act regulations and all hazardous waste has been correctly classified. Our service provider supports the initiative to divert waste to recyclers instead of landfill, thereby reducing the group's environmental impact. All documents have been received and maintained as per regulation requirements.

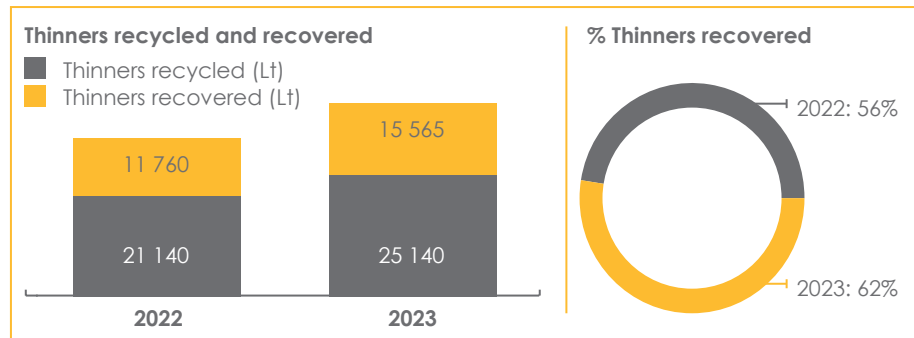
On site recycling sees separation into three categories taking place at source as far as possible. Elsewhere hazardous and non hazardous waste streams are monitored by type, volume and disposal method and disposed of at certified waste disposal facilities, which ensures consistency, compliance, and comparability.



All waste is monitored for further improvements to recycling, and records are kept at the SHE office for cradle to grave and auditing purposes.



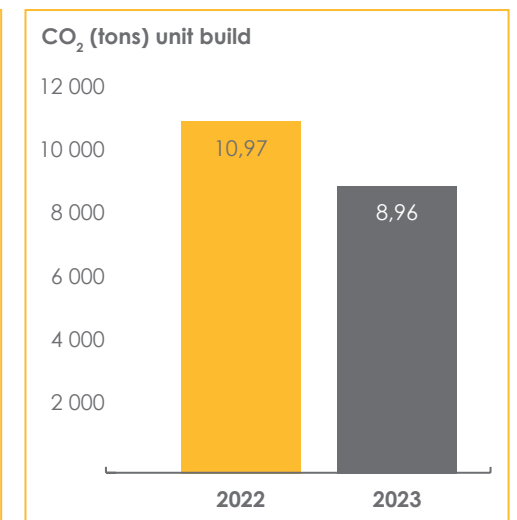
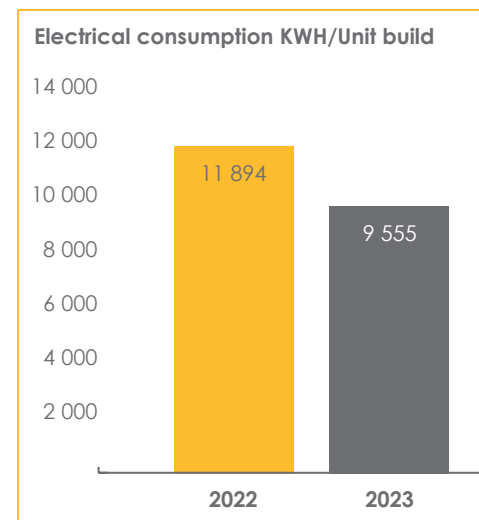
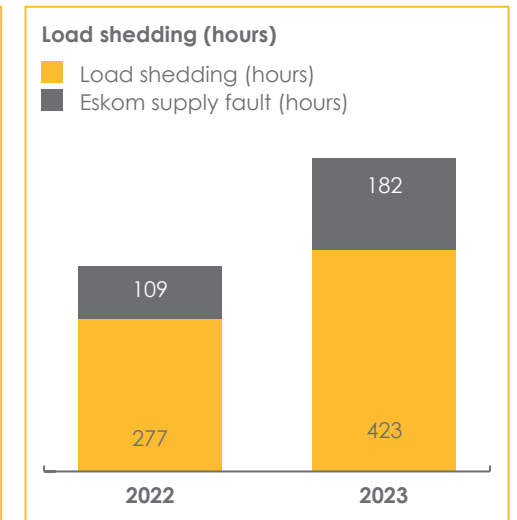
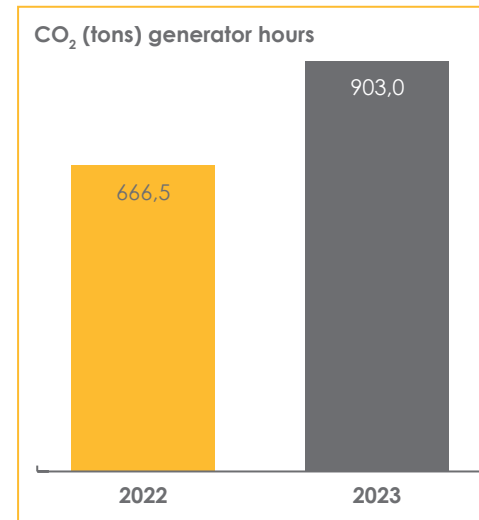
Specialised recycling units recycle liquids at the Richards Bay site. The thinners recycling plant has significantly reduced the volume of contaminated thinners needing to be disposed while reducing costs in terms of the quantity of new thinners being purchased and the associated disposal costs. It is also environmentally friendly by reducing the amount of hazardous liquid waste.



Machining coolant is also being recycled before disposal is required. This is controlled by a process to maintain the quality of coolant whilst preventing unnecessary disposal of usable coolant.

4. Impact of climate change

Bell Equipment currently falls outside the requirements for reporting and paying carbon tax. However, recognising the importance of reducing carbon emissions, internal carbon footprint measurements are taken by calculating emissions on diesel burned and kWh used through our Richards Bay manufacturing operations annually. Due to increased generator usage as a direct result of load shedding this measurement increased in 2023 compared to 2022. Total kWh/unit built and CO₂/unit built, however, reduced compared to 2022.





Social pillar



**Our role in the wider community:
a provider of meaningful employment**



The number of employees in Bell Equipment's South African operations increased by **7,2%** in 2023.

Black women made up **14,0%** of our total South African workforce in 2023. [FY2022: 12,95%]

50,0% of our total South African workforce in 2023 were black men. [FY2022: 48,61%]

21,4% of the South African workforce was female in 2023.



Geographic breakdown of group workforce

	Male	Female	Total	Male %	Female %
Rest of Africa	91	18	109	83	17
Australasia	5	0	5	100	0
Europe	346	62	408	85	15
North America	11	6	17	65	35
South America	2 588	703	3 291	79	21
Total	3 041	789	3 830	79	21

Employment equity summary: December 2023

	Female				Male				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	

Occupational levels

BESCA	Female				Male				Total	
	African	Coloured	Indian	White	African	Coloured	Indian	White		
Senior management									1	1
Specialists/mid-management	5		2	3	8		16	15	49	
Skilled	15	1	10	9	72	10	91	35	243	
Semi-skilled	257	13	36	10	992	61	245	70	1684	
Unskilled	33	2	3		159	10	22	9	238	
Non-permanent	34		4	1	60	4	7	2	112	
Total	344	16	55	23	1291	85	381	133	2328	

BEGS	Female				Male				Total	
	African	Coloured	Indian	White	African	Coloured	Indian	White		
Top management									1	1
Senior management				3			2	6	11	
Specialists/mid-management	4		3	15	20	2	10	70	124	
Skilled	14	3	11	19	42	3	20	21	133	
Semi-skilled	31	1	12	15	86	1	7	3	156	
Unskilled	1				7	1			9	
Non-permanent	3		2	1	8	1	2	2	19	
Total	53	4	28	53	163	8	41	103	453	

BESSA	Female				Male				Total	
	African	Coloured	Indian	White	African	Coloured	Indian	White		
Senior management				1	1				3	
Specialists/mid-management	2	1	1	2	3		3	14	26	
Skilled	7	3	2	10	104	12	12	103	253	
Semi-skilled	40	11	5	28	73	12	15	14	198	
Unskilled	2				3				5	
Non-permanent	12				8	2	1	2	25	
Total	63	15	9	40	192	26	31	134	510	

Employees with disabilities - BECSA, BEGS and BESSA, and females and males combined

	Female		Male		Total
	African	Coloured	Indian	White	

Occupational levels

	African	Coloured	Indian	White	Total
Specialists/mid-management	0	0	1	0	1
Skilled	0	0	1	0	1
Semi-skilled	1	0	1	0	2
Skilled	0	0	0	1	1
Specialists/mid-management	0	1	0	0	1
Total	1	1	3	1	6

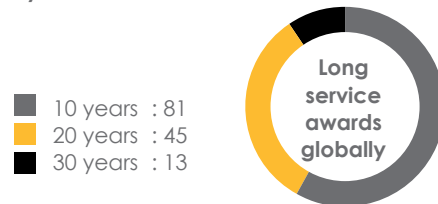
Meaningful engagement

Team building events are undertaken by the various operations and functional areas during the year and take the form of team braais and other occasions, such as team workshop sessions conducted by MOTTO Consulting to ensure team cohesion, unity, and employee engagement to improve team member relationships and alignment to our corporate culture of 1-BELL.

Our organisational policies and procedures are focused on legislative compliance and discipline, improving employee engagement, inclusion, transformation, diversity, and overall employee health and safety, ensuring good corporate governance, and promoting employee participation achieving the group's goals and objectives.

Bell celebrates the loyalty of our team members for their tenure of unbroken service to the organisation across the globe. An annual Bell long service awards luncheon is held in Richards Bay and our other operations arrange their own function. Long servicing employees at our German factory were presented their awards at the factory's 20th anniversary function. This included a special 50 years of service tribute to our group chairman, Gary Bell.

Employees celebrating long service globally in 2023:



Richards Bay long service awards



Long service recipients in Germany



Long service recipients in Richards Bay

The Richards Bay factory shutdown in December 2023 provided an opportunity to introduce our incoming CEO, Ashley Bell, to the Bell team and to present awards to the top performing welders and assemblers of the year. This highly anticipated annual event is excellent at building camaraderie after a long and busy year and includes entertainment, lucky draw prizes, and a social get together to conclude the year.



Richards Bay factory shutdown



Fair remuneration

2023 saw the end of the three year wage agreement reached at the Metal and Engineering Industries Bargaining Council (MEIBC) in 2021 for the period 2021 to 2023 for scheduled employees in South Africa. Wage increases for scheduled employees were between 5% at the upper end of scheduled grades, grade A, and 6% on the lower end of scheduled grades, grade H. The centralised wage negotiations at the MEIBC for 2024 will start in February 2024.

An inflation related wage increase of on average 5% was granted to all non scheduled employees in South Africa during 2023. Increases at foreign operations varied and were made in line with country specific inflation rates. Wage negotiations are underway in Germany with the workers' council for our operations in Germany for 2024.

We reviewed and reprofiled all our non scheduled positions during 2022 and 2023 and reviewed our remuneration policy for the South African operations. This project has now been finalised and will be implemented in 2024.

Taking wellness to heart

As a caring employer we believe Bell has a responsibility to help employees lead healthier lifestyles, and to make them aware of their health status by:

- Providing an on site clinic at our Richards Bay factory to cater for occupational health and injuries, and day to day medical and health services and care.
- Providing a psychologist service for employees who need EAP (employee assistance programme) counselling and support.
- Arranging regular assessments.
- Promoting good nutrition and making sure the canteen serves healthy food.
- Promoting physical activity.
- Providing regular educational talks on health matters.

We consider the following in assisting our employees with health and wellness advice:

- Teach stress reduction techniques such as deep breathing and meditation.
- Setting time aside to exercise to achieve a healthy work life balance.
- Setting priorities to manage time and energy efficiently.
- Practicing good sleeping habits.
- Providing healthy and balanced dietary options at reduced cost through our canteen to encourage employees to follow a healthier diet.
- Providing advice on how to overcome drug, alcohol and other habit forming addictions, such as smoking dependence. This is achieved through regular tool box talks and the availability of SANCA and our clinic to counsel employees with these dependencies and addictions.

The annual wellness week at our Richards Bay factory was held from 28 July 2023 to 2 August 2023 and had a target of reaching at least 2 000 employees across the various shifts. The aim is to promote improved physical and mental health and includes testing for glucose, cholesterol, body mass index (BMI) and blood pressure.

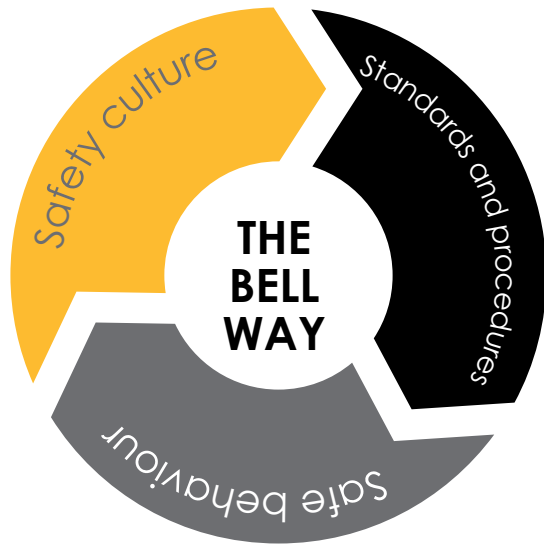


44%
870 employees supported Bell Wellness Week 2023



■ 82% males
■ 18% females





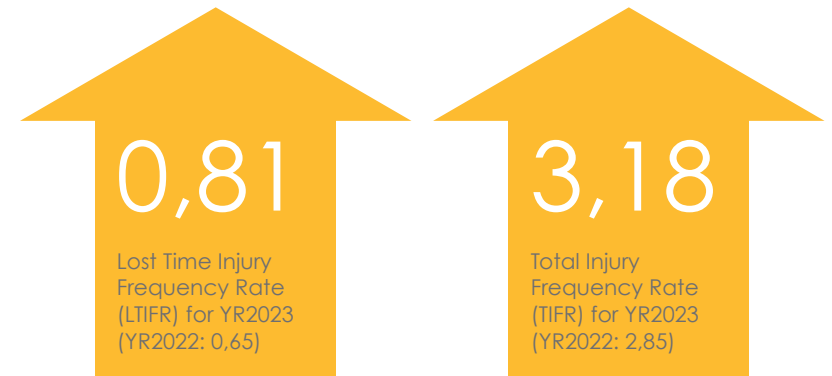
Keeping health and safety under the spotlight

Our Bell culture embeds the value of safety at every level of the workforce. Our aspiration is to operate sustainably, without harm to people, the environment, and the communities in which we operate.

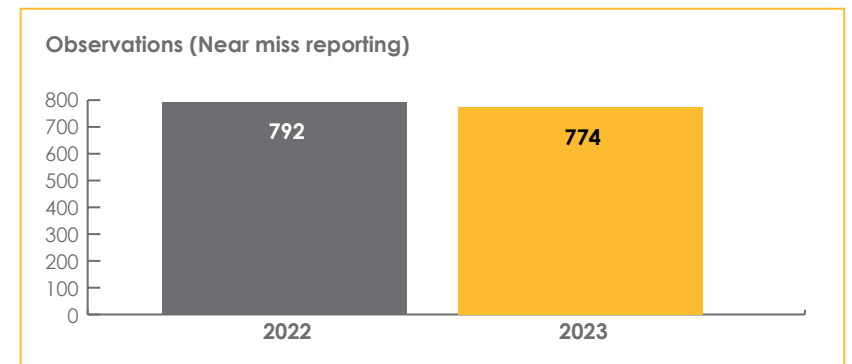
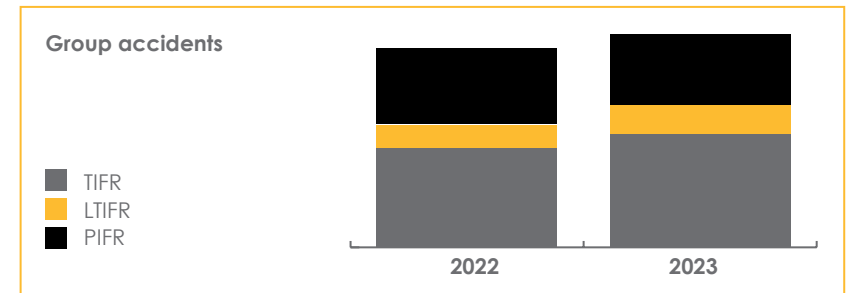
Our behaviour based safety programme enables management and employees to work together towards a total safety culture, where employers and employees at all levels of the organisation are 'safety champions'.

The programme has moved the group beyond workplace audits and inspections, past the policing role and closer to knowing how much our workforce understands work practices, procedures, conditions, and behaviours that cause them to make mistakes. Behaviour based safety is a proactive process that helps to get changes in our work group's safe behaviour levels before incidents happen.

The group LTIFR and TIFR are higher compared to 2022 with increased production, new employees, and increased rework due to line shortages having created a higher risk environment.



Richards Bay factory SHE team





Improving lives through education and training



Bell appreciates the importance of education and training both for the sustainability of our group and in the wider social context. We are a fully accredited training provider with well equipped training facilities in Richards Bay and Johannesburg, South Africa where we focus on 'growing our own timber' through our MERSETA registered apprenticeship programme and providing operator and technical training for Bell employees and customers.

Apprentice training during 2023

Apprenticeship	Year	Female		Male				Grand Total
		African	Indian	African	Coloured	Indian	White	
Apprentice Auto Electrician	Apprentice 1			2		1		3
	Apprentice 2			1		1		2
	Apprentice 3			1				1
Apprentice Boilermaker CoS	Apprentice Boilermaker CoS	4		15		1		20
Apprentice Earthmoving Mechanic	Apprentice 1	5		47	1	2	12	67
	Apprentice 2	3		40	5	1	8	57
	Apprentice 3	2		15	1		6	24
	Apprentice 4			1				1
Apprentice Millwright CoS	Apprentice Millwright CoS	4		15	2	2		23
Apprentice Turner	Apprentice 1	2		3	1			6
	Apprentice 2	2		3				5
	Apprentice 3		1	2		1		4
Grand Total		22	1	145	10	9	26	213

Entity	Technical training	Soft skills	Legislative training	Apprenticeship training	Parts trainees	Assembler trainees	Education assistance	Graduates/ interns/ in-service / vac work	Bursaries	Work experience (YES)	TOTAL
BECSA	3	330	1142	264	12	5	11	41	3	96	1907
BESSA/BEFT	266	16	602				4			20	908
BEGS	26	89	128					9			252
BENA	2	1									3
EMEA	1	17	69								87
External customers	120										120

BECSA external bursaries granted for 2023

Candidate	Field of study	Institution
African female	Bachelor of Education	UNISA
African male	Diploma in Mechanical Engineering – extended course	Cape Peninsula University of Technology
African male	Bachelor of Science in Information Technology: Computer Science	University of Johannesburg
African female	Bachelor of Engineering Technology: Electrical Engineering	University of Johannesburg

Bell Foundation external bursaries granted for 2023

Candidate	Field of study	Institution
African female	Bachelor of Mechanical Engineering	Stellenbosch University
African female	Bachelor of Mechanical Engineering	Stellenbosch University
African female	Bachelor of Science in Computer Science	University of Johannesburg

R447 789

BECSA spending on external bursaries for FY2023

R394 985

Bell Foundation spending on external bursaries for FY2023

R437 616

BECSA, BEGS and BESSA spending on employee education assistance for FY2023



Facilitating the change we want to see in our communities: facilitating a better life for all



We acknowledge the impact of our business operations on the communities around us. We want to support our communities' health and wellbeing and are committed to building trusting relationships. By contributing to educational programmes in these communities we want to empower people to uplift their standard of living and grow the talent pool from where we can employ.

BECSA supported the following initiatives during 2023

Beneficiary	Grant amount
Nguluzana Primary School	R 179 322
Thuthukani Special School	R 555 000
Amangwe Village	R 505 000
Mother's Nest	R 10 000
TOTAL	R 1 249 322

- BECSA and BESSA supported a community outreach project at Nguluzana Primary School in Nseleni where the funds were used for building materials to repair and upgrade the school premises and assembly points.
- Thuthukani Special School outside Empangeni has used funding to improve facilities for their learners and includes recompacting the existing wheelchair pathways at the school and extending the pathway to the gardening area, including a concrete slab and the provision of seedling tables so that learners with mobility problems can participate in gardening in a sedentary position. A dozen durable plastic benches have been placed around the school for learners to use during break/learning times outside of the classroom and a project to provide box learner desks for the senior school has been extended to the rest of the school to provide additional storage space in classrooms. The senior bathrooms have been repainted and repaired and an inverter has been ordered to replace the school's aging generator, which causes harmful noise pollution and is expensive to run. The inverter will power the intercom, telephone, and bell, which are essential tools for communication and safety.

R1,25 million

BECSA spending on SED for FY2023
(FY 2022: R548 320)

R1,74 million

BESSA spending on SED for FY2023
(FY2022: R1,25 million)

- Amangwe Village outside Richards Bay has used the funds to procure a vehicle to better mobilise social workers in the community. The balance of the funds, including those provided by BESSA as detailed below, were spent on adding value to the home based care programme including supplying school uniforms to orphaned and vulnerable children, procuring food parcels for families and children in need, supplying school stationery, training courses and creating a database to track patients' care and assistance.
- Mother's Nest is a non profit organisation in Brenthurst, Brakpan that provides a home for children in distress, including those who have been abandoned, abused, or neglected. BECSA contributed toward their electricity bill.

BESSA supported the following initiatives during 2023

Beneficiary	Grant amount
Nguluzana Primary School	R 128 251
SAME Foundation – school paint party	R 40 000
Hlobane Primary School	R 40 637
SAME Foundation – Forte Secondary School	R 630 000
Thuthukani Special School	R 225 424
Bright Eyes Trust	R 396 993
Synergistic Covenant Network	R 36 760
Ferdinand Primary School	R 242 196
TOTAL	R 1 740 261

- In addition to supporting the abovementioned initiative to refurbish Nguluzana Primary School, BESSA also provided funding to construct a borehole and sewage system for Ferdinand Primary School at Weenen.
- As part of a Mandela Day initiative by the SAME Foundation, BESSA participated in a school paint party at Kelokitso Comprehensive School in Meadowlands West, Soweto. A further R630 000 was granted to the SAME Foundation to provide physical and life science laboratories at Forte Secondary School in Soweto.
- A jungle gym was construction for learners at Hlobane Primary School in Vryheid.
- Bright Eyes Trust was established in 2009 to meet the critical need for early intervention, care, education and support for visually impaired children and their care givers in Durban, KwaZulu-Natal. They allocated their funding towards their screening budget and purchasing a classroom container.
- Synergistic Covenant Network used the funding to drill a borehole in a disadvantaged community.

Partnering to build strong foundations

Four houses built for indigent families in the Govan Mbeki Local Municipality by BESSA and the Overlooked Group (OVL) to reduce the housing backlog were completed and officially handed over in November 2023.

BESSA contributed over R1,1 million in funding to the project during 2022 as part of its commitment to socio economic advancement, given its customer base, which includes mining houses, emerging contractors, and various government spheres. OVL, a 100% black owned company renowned for its expertise in housing projects, facilitated and provided project management expertise.

The project also had a holistic community approach by engaging local contractors, subcontractors, labourers, and suppliers, to amplify the project's impact on the ground.

"Bell Equipment appreciates the opportunity to work together with the Overlooked Group and the Govan Mbeki Local Municipality to create change for the betterment of people in South Africa. This type of project fits in well with what we do around the country. We work in hundreds of different regions and have many such projects."
Group Chairman, Gary Bell



OVL housing handover

Supporting economic transformation through ESD

Access to financial assistance is a barrier to entry for many EMEs and/or QSEs including those companies wanting to establish themselves as suppliers to Bell Equipment and customers wanting to purchase our equipment for their businesses. The Bell ESD Programme bridges this gap by providing grants and developmental loans to qualifying EMEs and/or QSEs that are 51% black owned.

In 2023 BECSA contributed R2,9 million towards supplier development beneficiaries consisting of R1,9 million outstanding in supplier development loans as at 31 December 2023. In addition, BECSA allows two of its beneficiaries to utilise space at no cost amounting to R1 million.

BECSA also had R1,8 million in outstanding enterprise development loans as at 31 December 2023.

BESSA has invested in supplier development grants with recognised contributions of R3,2 million through Tectonic. An additional R1,6 million was provided to Tectonic for enterprise development where KwaNgwane Consulting and Mvelotech Engineering and Environmental Services were supported.

Disabled learnerships

The following spend was made by BECSA and BESSA in 2023:

	BECSA	BESSA
Disabled black learnerships	R1,2 million	R832 000
No. of learners (all black females)	12	8

In addition, BESSA implemented further black learnerships amounting to R416 000 in December 2023 for one Indian male, one African female, one Coloured female and one Indian female.



Governance pillar



Business with integrity

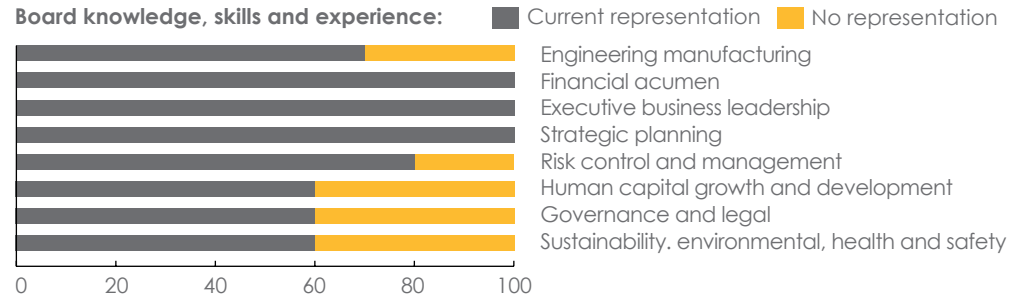


We embody a business with honesty and integrity, that respects human rights, provides a safe workplace, and is trusted by society. We reflect a system of ethical and responsible business conduct in our business activities and decision making standards, working together with our employees, collaborative partners, and communities throughout the supply chain. We endeavour to ensure the distinct separation of board oversight and business execution, to establish a system for the agile execution of business, to determine appropriate compensation and to achieve highly transparent management.

Specifically, we have selected directors who possess the qualities that make them suitable to lead the group, including global experience and knowledge across a variety of fields, excellent character, and broad experience and knowledge of business management. We strive to establish a highly transparent and independent corporate governance structure and to introduce an executive compensation system that is linked to the enhancement of corporate value.

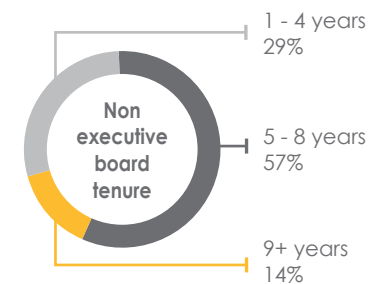
With the globalisation of the economy, overarching regulations and differences in governmental and economic frameworks, the importance of building a culture based on ethics, honesty and integrity are key. Bell Equipment believes that business ethics and compliance are the foundation of our company, and we engage in fair, transparent, and honest management. We are committed to creating an open environment in which employees perform at their best and in which every employee feels safe in acting ethically. In this way, we work together to create environments where everyone is empowered to speak up and to perform at the highest standards.

BOARD'S COMPOSITION, DIVERSITY AND TENURE AS AT 28 MARCH 2024*

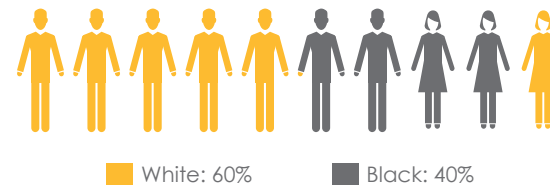


Non executive board tenure:

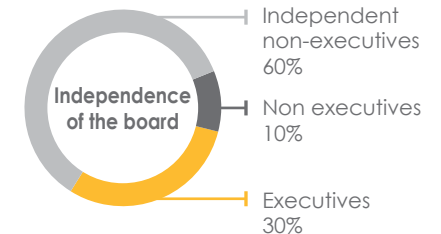
In accordance with Bell Equipment's memorandum of incorporation, at least one third of the non executive directors must retire by rotation each year but may offer themselves for re election. The non executive directors retiring by rotation and standing for re election by the shareholders at the upcoming annual general meeting in 2024 are Hennie van der Merwe, Derek Lawrance and Ushadevi Maharaj.



Gender and racial diversity:



The independence of the board:



*Leon Goosen resigned as group chief executive and director with effect from 31 December 2023