Araxi

ESG REPORT

FOR THE YEAR ENDED 31 MARCH 2026

Contents

1 About this report

- Introduction page 2
- Scope and boundary page 2
- Basis of preparation page 2
- Materiality and the reporting process page 2
- Our double materiality approach page 2
- Where to find more information page 2

2 About Araxi

- Company structure page 3
- ESG performance review page 4
- Our view on ESG page 5
- Sustainable development goals page 6

3 Social impact

- Social and relationship capital page 8
- Human capital page 10
- Stakeholder engagement page 15

4 Environmental impact

- Environmental impact page 18

5 Corporate governance

- Governance framework and structure page 19
- Board diversity page 20

6 ESG data table

- ESG data table page 21

7 Corporate information

- Corporate information 24

Forward-looking statements

This report may contain forward-looking statements concerning Araxi's future performance and prospects. While these statements represent the Group's judgements and future expectations, several factors may cause actual results to differ materially from its expectations.

About this report 01
About Araxi 02
Social impact 03
Environmental impact 04
Corporate governance 05
ESG data table 06
Corporate information 07

About this report

Introduction

Araxi Limited (Araxi, the Company, the Group), formerly Capital Appreciation Limited, is pleased to present its 2026 Environmental, Social and Governance (ESG) report (the report, ESG report). This report forms part of Araxi's annual suite of reports.

The ESG report is intended for all stakeholders who are interested in the Group's operations, with a focus on investors, employees and the communities in which the Group operates. The 2026 integrated report and the ESG report should be read together.

Scope and boundary

The report covers all the operations of Araxi for the year ended 31 March 2026. There have been no significant changes in the scope and boundary of this report compared to the 2025 report. Apart from the acquisition of 80% of Pay@ Holdings (Pty) Ltd, which became effective 28 May 2026, post year-end, there have been no notable changes in the nature of the Group's business.

Basis of preparation

The report has drawn on the six capitals identified by the International Integrated Reporting Council as the foundation for an organisation's value creation, as well as aspects of the Sustainability Disclosure Guidelines developed by the JSE, the United Nations (UN) Global Compact, and recommendations of the King Report on Corporate Governance (King V™).

The reporting primarily focuses on topics that are significant to the Group's stakeholders, and the criteria discussed above have been used as a guideline. Taking into account the 17 Sustainable Development Goals (SDGs) outlined in the UN Department of Economic and Social Affairs' SDG Report, the Group has determined six commercial or societal domains where it may have the greatest influence, and which are especially pertinent in the current South African/African environment. Those are:

2 Zero hunger – Zero hunger	4 Quality education – Quality education	5 Gender equality – Gender equality
8 Decent work and economic growth – Decent work and economic growth	9 Industry, innovation and infrastructure – Industry, innovation and infrastructure	12 Responsible consumption and production – Responsible Consumption and Production

IAR For more information, refer to page 6.

Materiality and the reporting process

When selecting information for inclusion in the 2026 integrated report and ESG report, emphasis is placed on those issues, opportunities and challenges that materially impact Araxi's ability to deliver value to all stakeholders in a sustainable manner. These material matters were identified through the risk management process, strategy workshops and stakeholder engagements.

IAR For more information about our material matters, refer to page 24 of the 2026 integrated report.

In aligning our reporting with the JSE Sustainability Disclosure Guidance, we have again applied the double materiality approach to the individual components of our annual reporting suite, applying a different materiality lens for each report, as appropriate, to make our reporting concise and relevant to the targeted audience.

Our double materiality approach

Financial materiality

The principle of financial materiality is applied to reports targeted at shareholders and providers of capital, i.e. those who analyse the Group's financial performance and/or need to assess the enterprise value of the Group. These include:

- 2026 integrated report
- 2026 Group audited annual financial statements
- 2026 Summary Group financial results
- 2026 Annual results presentation

Impact materiality

Multi-stakeholder reports, which cover the Group's ESG reporting, apply the impact materiality approach that relates to the economy, environment and society:

- 2026 integrated report
- 2026 ESG report

Where to find more information

ESG This icon signifies related information elsewhere in this report.

IAR This icon signifies related information available in the 2026 integrated report.

This icon signifies related information available online at: www.araxigroup.com

About this report 01
About Araxi 02
Social impact 03
Environmental impact 04
Corporate governance 05
ESG data table 06
Corporate information 07

About Araxi

Araxi is a premier financial technology and software group that serves and partners with established and emerging institutions, as well as large corporates, to deliver innovative solutions.

Araxi builds and scales businesses that simplify complexity, helping financial institutions and enterprises deliver better outcomes for their customers.

Araxi has significant strategic partnerships and deep relationships with world-class technology and financial partners, and with its deep payments expertise and cutting-edge software capability, brings together a group of companies that amplify each other's impact.

Araxi provides fintech solutions and other contemporary, innovative technology platforms to clients through two divisions: Payments and Software.

DIVISIONS

PAYMENTS

The Payments segment

Araxi's Payments division is the pre-eminent point of sale (POS) terminal infrastructure management provider in South Africa, providing a turnkey solution to enterprise clients.

- **African Resonance** is a leading provider of payment technology solutions, offering both direct and indirect services across the payments ecosystem. Its capabilities include payment software and infrastructure, technical support, terminal maintenance, bespoke software development, and a PCI-compliant key injection facility for terminals, alongside a comprehensive suite of payment services. **Dashpay** complements this offering by delivering Payment Software as a Service (PSaaS) solutions tailored for bank acquirers, payment facilitators, and fintechs.
- The division also includes **Halo Dot** and a minority investment in **LayUp**. Halo Dot provides proprietary software solutions (SoftPOS) that allow any near-field communication (NFC) enabled Android and iOS-based devices to accept digital card payments. Halo Dot is offered in multiple form factors, including as a software development kit (SDK) for integration into others' apps or as an app on a white-label basis. LayUp is Africa's first digital lay-by and recurring payments business with solutions for e-commerce and in-store purchases.
- The **Pay@** Group is one of South Africa's leading and most trusted payment aggregation and processing platforms. The company provides secure, real-time payment solutions that connect major billers, merchants, and consumers through an extensive national network of physical and digital bill presentment channels. The Pay@ network is the most extensive payment channel network in Southern Africa.

SOFTWARE

The Software segment

- Araxi's Software division, mainly comprising **Synthesis** and **Dariel**, has a proven track record of designing, building, and deploying software solutions for complex, large-scale businesses and enterprises. Araxi Software offers highly specialised Artificial Intelligence (AI)-first software development, consulting, and integration services and technology-based product solutions in South Africa and other emerging and developed markets. The products and services enable clients to perform business processing functions, meet regulatory requirements, integrate with trading platforms and exchanges, secure sensitive information, and develop complex business applications. It has significant depth in financial services, retail, telco, hospitality, gaming, and healthcare domains, where it has, through emerging and traditional technology, designed, built, and operated multiple systems, bringing deep technical capabilities in system integration, intelligent automation, machine learning, and Generative AI & Agentic AI.

INTERNATIONAL

International

The International division located in the Netherlands aims to broaden the Group's geographic reach, expand its client base, and increase exposure to new and emerging technologies and global best practice. In addition to the Group's wholly owned foreign subsidiaries, Synthesis Europe B.V. and Synthesis Labs B.V., Araxi owns 20% of Regal Digital B.V.

ASSETPOOL.

AssetPool is a SaaS B2B platform for managing, tracking and maintaining critical infrastructure. Araxi participated in AssetPool through a convertible loan that, upon conversion into equity, will grant the Group 33% of the Company.

About Araxi continued

ESG performance review

Environment

Low environmental impact

- Minimum waste, 16 948kg recycled
- Low use of water and energy
- Redundant electronic equipment donated to charities
- ISO-compliant vendors manage hardware recycling

Social

Corporate Social Investment

R4.0 million
spent

B-BBEE

Group Level 3
Level 1 subsidiary rating

Employees

58.2%
of our employees are from previously disadvantaged groups

39.3%
of our employees are female

74.2%
of employees trained are from previously disadvantaged groups

Training

R10.6 million
development and training expenditure

R9.2 million
spent on external bursaries and learnerships

Enterprise and supplier development

R6.8 million
spent on enterprise development

R4.4 million
spent on supplier development

R11.0 million
interest-free loans to Black-owned suppliers

Shareholder vote at last AGM

92.0%
approval of remuneration policy

92.0%
approval of remuneration implementation report

Governance

Diverse Board*

100%
of our non-executive directors are from previously disadvantaged groups

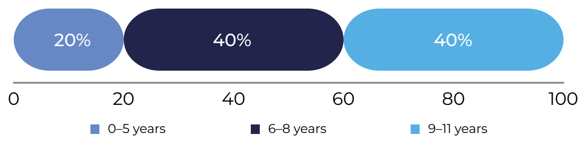
60%
of our non-executive directors are female

Strong oversight

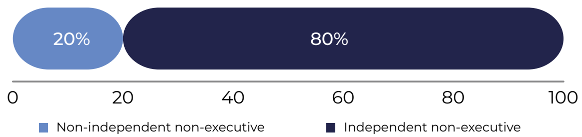
100%
Board meeting attendance

95%
committee meeting attendance

Board tenure of non-executive directors*



Board independence*



* *Board diversity analysis as at 30 June 2026.*

About this report 01
About Araxi 02
Social impact 03
Environmental impact 04
Corporate governance 05
ESG data table 06
Corporate information 07

About Araxi continued

Our view on ESG

ESG is evolving from a standalone priority into an integrated, outcomes-focused component of business strategy. High-level commitments are increasingly being replaced by tangible, measurable actions embedded within everyday operations.

Araxi's mission-driven culture is anchored in strong ethical and governance principles, supported by the structures and mechanisms required to uphold them. In a period of ongoing change and growth, maintaining robust ethics and governance remains critical. The Group, therefore, continually reviews and strengthens its oversight frameworks, processes and systems to ensure compliance with governance, legal and regulatory requirements across all jurisdictions in which it operates. It also prioritises the timely alignment of governance structures within newly acquired or invested businesses.

Ethical leadership, compliance discipline, and people-centred governance are embedded across the Group, supported by effective committee structures, policy frameworks, and active leadership oversight. The Group's value philosophy continues to serve as the cornerstone of its governance approach, providing a solid foundation for sustainable growth, as governance practices evolve alongside the business.

Araxi is looking to utilise our innate technical development capabilities to make a meaningful impact on the communities in which we operate. We are committed to creating shared value by contributing to economic and social development while protecting the environment. Given its relatively limited environmental footprint, the Group's focus is directed toward pressing social challenges, including unemployment, inequality and illiteracy. To achieve sustainable impact, the Group allocates financial resources thoughtfully, pursues meaningful and measurable change, leverages innovation to enhance the effectiveness of limited resources, and engages regularly with stakeholders to better understand and respond to their needs.

While the Group's ESG reporting practices are still evolving, it remains committed to broadening the scope and depth of its disclosures and to identifying additional performance metrics to enhance future reporting.

IAR For more information, refer to the Social and Ethics Committee report in the 2026 integrated report.

Kusene Dlamini

Lead independent director and Chairman of the Social and Ethics Committee

About Araxi continued

Sustainable development goals

The Group reviewed all 17 UN SDGs to identify where it can have the most impact. Based on relevance to its operations and stakeholder needs, the Group selected six priority SDGs and is developing priorities and strategies to allocate resources efficiently and pursue these goals in a manner that is proportionate and aligned with the Group's context.

Our priorities

SDG	Social Impact	Operational Impact	Business Impact	Corporate Social Investment	Other Ideas (Future)
Zero Hunger	• Primarily targeting ending hunger and ensuring access to nutritious food in South Africa, our Group aligns with this goal by ensuring food availability and good nutrition for our employees, particularly lower-income employees.	• Meals are provided to employees.	• Employees are provided with healthy and nutritious meals.	• Regular staff-led campaigns to collect and arrange food parcels for local communities.	
Quality Education	• Providing access to educational opportunities. • Enhancing skills. • Higher employment opportunities and income.	• Financial support through bursaries and skills funding. • Offering short courses. • Offering internships and learnerships to employed and unemployed individuals, offering work-integrated learning and employability programmes.	• Contributing to a greater pool of talent. • Career advancement opportunities for existing and potential employees.	• Participating in gender-intentional programmes designed to support women entering the tech industry, such as GirlCode and the Supporting the Faith Mangope Technology and Leadership Institute (FMTALI) programme. • Internships and learnership programmes. • Skills development strategy aligned to business and employment equity plans. • Leadership development and cross-skilling initiatives.	• Providing access to computer literacy. • Continued upskilling aligned to scarce information and technology (ICT) skills.
Gender Equality	• Promoting gender equality and empowering women and girls. • Ensuring equal rights, responsibilities and opportunities.	• Knowledge-sharing through providing training/workshops to women and girls to promote women in the technology sector. • Non-discriminatory recruitment, promotion and remuneration practices.	• Using technology to empower women. • Increasing the pool of skilled females in the technology sector. • Ensuring full participation and equal opportunities for women in leadership and decision-making. • Tracking female participation in management and leadership roles.	• Participating in GirlCode and LIT Programmes. • Supporting FMTALI, a non-profit training organisation that focuses on enhancing the employability of youth (both male and female) in the ICT sector and securing placement solutions.	• Providing access to computer literacy. • Education sessions around female health. • Financial capability programmes tailored for women. • Ongoing diversity awareness initiatives and inclusive dialogue.

About Araxi continued

SDG	Social Impact	Operational Impact	Business Impact	Corporate Social Investment	Other Ideas (Future)
8 DECENT WORK AND ECONOMIC GROWTH **Decent Work and Economic Growth**	• Promoting inclusive and sustainable economic growth, full and productive employment, and decent work for all.	• Developing Human Resources compliance and ESG policies. • Enforcing Group Code of Conduct. • Enabling internal career development and promotion. • Creating a workplace culture of care and wellbeing, inclusion and belonging. • Fair remuneration and benchmarking practices. • Equal pay for equal work commitments.	• Ensuring equal pay for work of equal value. • Ensuring policies address potential discrimination in hiring, promotion and remuneration. • Supporting skills development and lifelong learning. • Offering mentorships and career development pathways. • Implementing robust Occupational Health and Safety practices to ensure employee safety in the workplace.	• Providing mental and wellness support by offering employees access to the Employee Assistance and Wellbeing Programme. • Performing frequent workplace safety training and drills. • Occupational Health and Safety and wellness programmes. • Employee assistance and wellbeing programmes. • Conducting bi-annual market-related benchmarks to ensure remuneration is competitive. • Job creation via internships, learnerships and graduate programmes.	
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE **Industry, Innovation and Infrastructure**			• Building future digital capability: – Investment in technical training and certifications. – Development of scarce digital and engineering skills. – Innovation through people: Cross-skilling, leadership development and talent mobility. – Supporting industry growth: Creating a pipeline of skilled professionals into the ICT sector.	• Donating IT hardware to deserving charities and enterprise development partners.	
12 RESPONSIBLE CONSUMPTION AND PRODUCTION **Responsible Consumption and Production**	• Focus on ensuring sustainable and responsible consumption and production patterns. • Using natural resources in a way that meets present needs, without compromising future generations.	• Recycling programmes (paper, plastics, e-waste, batteries). • Partnerships with e-waste recyclers. Uniquely Recycled & Asset Disposal (URAD) and EPR Waste Association of South Africa (eWASA). • Employee awareness initiatives on recycling. • Hardware donations to charities and enterprise development partners.	• Membership of eWASA, a non-profit organisation that is committed to delivering cost-effective compliance on behalf of its members. • Appointment of URAD-SA, an e-waste recycling company that manages all recycling needs, including electronics and batteries. • Raising employee awareness of the need to recycle.	• Weekly collection of waste boxes, including paper, plastics, electronics and batteries. • General recycling for most goods, with specialist treatment for lithium batteries.	• Continued focus on recycling programmes across the businesses. • Responsible handling of electronic waste. Donating IT extend lifecycle and support communities.

Social impact

The Group remains committed to advancing socio-economic development and creating meaningful, lasting impact on the communities within which it operates. This is achieved through a strong focus on skills development, employment creation, healthcare and child-focused CSI initiatives, as well as ongoing employee participation. The information that follows highlights the Group's initiatives and contributions across these areas.

Social and relationship capital

The foundation of Araxi's social and relationship capital is its connections with clients, suppliers, partners and communities.

Araxi has a proud transformation heritage and continues to implement initiatives to strengthen its B-BBEE credentials.

The Group's B-BBEE shareholding, as at 30 June 2026, represents 28.17% black economic ownership and 39.72% voting rights.

The Group has transitioned from obtaining individual subsidiary B-BBEE ratings to a single consolidated Group verification. The Group rating now represents Araxi Limited and its subsidiaries, reflecting a coordinated empowerment strategy across the business. Only one subsidiary continues to maintain a separate B-BBEE rating.

Enterprise and supplier development

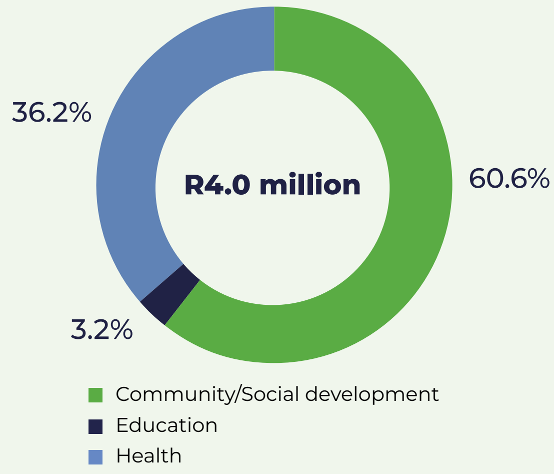
The Group provided interest-free loans to a total value of R11.0 million to a number of its Black-owned business suppliers. This comprised R6.8 million in enterprise development spend and R4.4 million in supplier development spend. Apart from providing interest-free loans, quick settlement of invoices, and preferential procurement procedures, Araxi also assists new Black-owned businesses by transferring skills and providing workspace and other resources that small- and medium-sized enterprises (SMEs) need to establish sustainable operations.

The Group's overall procurement and supplier development initiatives continued to support inclusive economic participation during the reporting period. Of total procurement spend, 10.5% was directed to SME/BEE suppliers, including Qualifying Small Enterprises (QSEs) and Exempt Micro Enterprises (EMEs). Within this supplier base, 25.5% were Black-owned businesses and 15.5% were Black female-owned businesses.

Corporate social investment

The Group actively engages in several social programmes, with a focus on educating and upskilling the communities it serves. The long-term objective is to contribute 1.5% of the Group's profit after tax towards CSI initiatives. For the current year, the CSI contribution presented 2.4% of the profit after tax, the bulk of which is in the form of monetary donations and non-cash resources.

FY2026 CSI spend



About this report 01
About Araxi 02
Social impact 03
Environmental impact 04
Corporate governance 05
ESG data table 06
Corporate information 07

Social impact continued

Some of the initiatives that the Group participated in during FY2026:

Smile Foundation

The Araxi and Synthesis teams painted murals at the children's ward at the University of Pretoria Oral Hospital in conjunction with the Smile Foundation.

In addition, Araxi joined a women's day breakfast event hosted by the Smile Foundation.

The Group also joined the Smile Foundation's Funky Socks Day initiative, and employees came to work dressed in colourful and fun socks to raise awareness for this meaningful cause.

Mandela Day

The Synthesis employees donated 300 blankets and a large variety of food items to the Smile and Tears Foundation for distribution to people in need as part of the Mandela Day drive.

The Payments division donated food parcels to the Thuthuzela Aid Community Centre in Alexandra in support of their Jar of Hope project.

GirlCode Holiday Programme

Synthesis participated in a week-long training programme in conjunction with GirlCode, which is aimed at enhancing knowledge and skills within the technology sector at Afrika Tikkun Braamfontein Centre.

Final Act of Kindness

Synthesis donated school bags with stationery and lunch boxes to the Grade 0 children going to Grade 1 at Afrika Tikkun Braamfontein Centre. The company also donated school shoes for the entire group.

The Payments team took up a collection of necessities, food and stationery for the Thuthuzela Aid Community Centre and Orphanage, situated on the edge of Alexandra in Johannesburg. Donations to the centre help them continue their valuable support of the youth and elderly in the community.

Masterclasses

Synthesis hosted masterclasses at the non-profit training organisation, FMATLI, to help female students learn more about the technology industry.

One of the Synthesis senior technical leads presented a class titled: *From idea to production – how software really gets built*. He took students behind the scenes of modern software development, unpacking what it involves to turn an idea into a working production system. Students gained a clearer, more grounded understanding of how tech products come to life.

Another senior technical expert from Synthesis hosted a masterclass addressing AI in modern software development. She introduced students to practical, real-world applications of AI in development, showcasing how modern tools can accelerate coding, improve productivity, and unlock new possibilities. Through relatable examples, students gained insight into how AI is reshaping the industry and what skills they can develop to thrive in this rapidly evolving landscape.

Social impact continued

Human capital

As a leading South African fintech specialising in Software Services and Payments, we recognise that our people are fundamental to driving innovation, resilience, and sustainable growth. The expertise, dedication, and engagement of our employees are essential to achieving the Group's strategic objectives and strengthening lasting relationships with our stakeholders.

"We are building the leaders that tech needs next. The future of innovation demands more than technical ability – it calls for vision, integrity and humanity."

Araxi's people philosophy

- A strong commitment to a culture of inclusion and collaboration.
- Free of prejudice, with equal opportunity and a strong sense of belonging.
- Resilient, innovative and highly engaged teams.
- Accelerated leadership development programmes.
- A strong emphasis on continuous learning.
- Innovative employee engagement forums.
- Long-term incentives to share in the value creation of the Group.

In an industry shaped by rapid technological advancement, increasing competition, and evolving customer expectations, the ability to attract, develop, and retain top talent is critical to our long-term success and continued growth.

A diverse workforce

The Group remains committed to the promotion of diversity and inclusion in the workplace through recruitment efforts and continuous skills development to create employment and advancement possibilities.

Special efforts are made to attract females to technology positions. Of the new appointments in the reporting period, 42% were female.

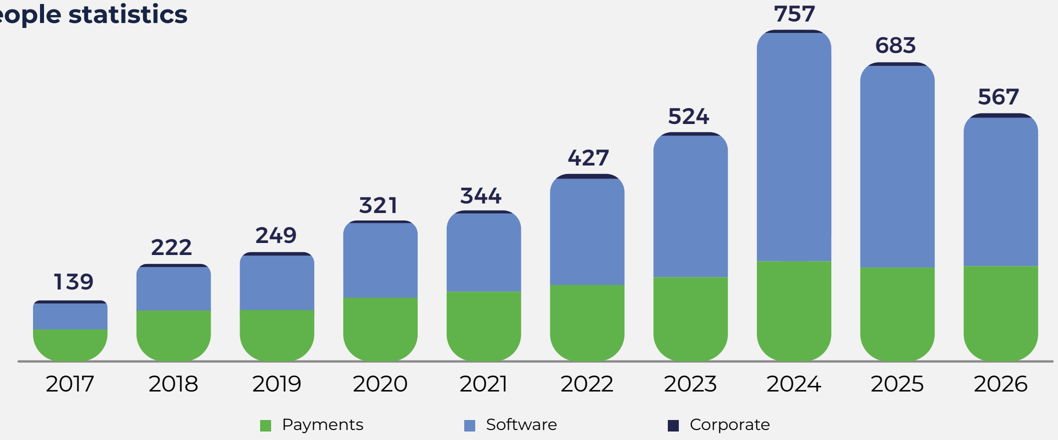
39.3% Female employees (2025: 38.2%)

58.2% Black employees (2025: 56.7%)

10.8% Female management (2025: 7.1%)

12.0% Black management (2025: 6.6%)

Key people statistics



* Decrease due to strategic headcount reduction in H1 FY2026.

89.7% of employees are permanently employed

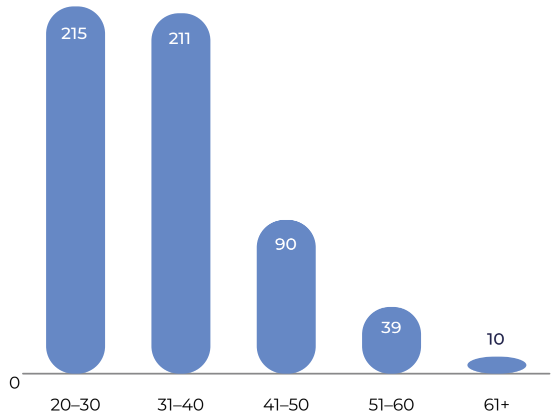
50.0% of non-permanent employees comprise interns and learners

88 internships and intern programmes (2025: 134) of which **97.7%** are HDSA

27.7%*# staff turnover

Excludes fixed-term contracts/learnerships that came to the end of the contract.

Average age of employees



Our predominantly young workforce requires a tailored approach to company culture and employee value proposition to effectively meet their evolving expectations and aspirations.

About this report 01
About Araxi 02
Social impact 03
Environmental impact 04
Corporate governance 05
ESG data table 06
Corporate information 07

Social impact continued

Driving improved performance

The Software Division developed and implemented an action plan to drive improved performance in the business. The plan included a strategic headcount reduction, refining the roles and responsibilities of the leadership team, resource balancing and optimisation, and initiatives that drive operational efficiency and cost management.

Skills development

Training and development remain a strategic priority across the Group, with a range of initiatives designed to foster a culture of continuous learning and professional growth. These efforts are integral to building capability, supporting employee development, and driving long-term success. The training spend was lower in the reporting period due to the reduced headcount and the focus on controlling and reducing expenses.

Learnerships are offered by the Group to unemployed as well as employed individuals. The adjacent table depicts the programmes offered in the reporting period, as well as the number of participants.

Learnership training during FY2026	Number of learners
Fast Track Internship	3
National Certificate: Contact Centre and Business Process Outsourcing Support NQF 3	33
Electronics NQF 3	10
National Certificate: Business Analysis Support Practice NQF 5	6
Further Education and Training Certificate: Technical Support NQF 4	6
National Certificate: Information Technology: End User Computing NQF 3	13
National Certificate: Management NQF 3	5
Generic Management: NQF 5	3
Occupational Certificate: Project Manager	1
Software Testing NQF 5	6
Occupational Certificate: Supply Chain Practitioner	2
	88

The Group hosted its very first Graduation Ceremony to celebrate the successful completion of four learnership programmes, honouring a total of 23 learners.

R10.6 million
training spend
(2025: R12.9 million)

The Synthesis Academy provides specialised training to staff members of the customer base of the Group to enhance employees' knowledge of cutting-edge technology across the sector.

The Payments Division Academy targets existing repair technicians and aims to enhance current skill sets and equip technicians with up-to-date knowledge on newly introduced devices. Since its launch in 2024, six technicians have been put through this training.

The Group continues its drive for industry recognition through **certifications** from partners and technology providers.

The Group's Exco participated in workshops on trust, resilience, accountability and coaching.

7 individuals participated

The Group's **FastTrack** graduation programme involves a week-long in-person orientation programme and weekly training sessions.

3 graduates in 2026 (2025: 33)

Practice and Business unit leads are supported through ThePowerMBA, a democratised programme that draws on the learnings from Fortune 500 companies and some of the best-known brands.

1 individual participated

The Group's **Leadership Accelerate Leadership** Programme was designed to fast-track the professional development of managers of people.

9 individuals participated

About this report 01
About Araxi 02
Social impact 03
Environmental impact 04
Corporate governance 05
ESG data table 06
Corporate information 07

Social impact continued

The Group achieved multiple international certifications in the reporting period, including 136 from Thales, 43 from AWS and 23 from Google.

Employee benefits

The Group continually evolves its employee value proposition to attract, retain and develop high-performing talent across its businesses. Core benefits available to employees include:

- **Bursaries and continued learning**
  In line with the Group's strong commitment to lifelong learning, employees have access to funding for recognised courses and qualifications aligned to their professional development. This is complemented by a culture that actively encourages continuous skills development and growth.
- **Incentive schemes**
  Short-term incentives reward individual contribution and recognise alignment to divisional and Group performance outcomes, reinforcing a strong pay-for-performance culture.
- **Long-term share incentive schemes**
  The Group's share incentive schemes provide meaningful participation in long-term value creation and support economic transformation objectives. Equity participation remains a key differentiator in attracting and retaining scarce and critical skills across the Group.
- **Group risk benefits**
  Comprehensive cover includes life, disability, severe illness and funeral benefits. The benefit structure provides meaningful "life-event" protection:
  - Life, disability, severe illness and funeral cover.
  - Global education protector benefits.
  - Performance bonus protector benefits.
  - Income continuation protection.
  - Mortgage protector benefits.
- **Medical aid**
  Employees are able to select from leading medical aid options, including Discovery Health. This enables them to structure cover aligned to their personal needs, balancing day-to-day and major medical requirements.
- **Employee Assistance Programme (EAP)**
  Through a partnership with Lyra Wellbeing, employees and their dependents have access to free, confidential support services. These include emotional and mental health counselling, legal and financial advice, as well as family and parental support.

ESG Refer to the Employee wellness discussion on page 13 for more information on this offering.

Various **recognition structures** exist across the Group to recognise employee contribution, such as shout-outs, features in internal publications and job shadow opportunities to accelerate career potential. Loyalty is rewarded through **long-service awards** in the form of additional annual leave days.

Health and safety

Araxi places the highest priority on promoting the health and safety of employees while at work. Health and safety practices include fire safety training and drills, infrastructure-based controls, potable water management and energy resilience planning, all aimed at supporting employee safety, business continuity and environmental conscientiousness. The Company will constantly review the effectiveness of all methods of its operation to best protect employees and will comply with all applicable legislation.

A culture of respect

The Group believes that treating employees and colleagues with respect is crucial for maintaining a positive and productive work environment. A culture of open communication where employees feel comfortable expressing their concerns and disagreements respectfully is encouraged, and potential conflicts are handled promptly and professionally. Our employees value this culture.

The services of an independent agency, Whistle Blowers (Pty) Ltd, were procured to manage the whistle-blowing mechanism and provide anonymous reporting. Employees are trained to use the mechanism, and posters promoting whistle-blowing are placed throughout the offices of Araxi and its subsidiaries.

No lost-time injuries were reported.

There were no allegations or incidents of discrimination reported in the 2026 financial year.

There are also no employees under collective bargaining agreements.

Social impact continued

Employee wellness

The Group supports a holistic approach to wellbeing, recognising the interconnection between physical, emotional, financial and career wellbeing. Wellbeing is treated as integrated and preventative, rather than just reactive.

Physical wellness	Preventative health and awareness	Wellness initiatives such as Vitality Health Checks (including blood pressure, glucose and cholesterol assessments) are facilitated within the businesses. Educational sessions, including nutrition workshops and health masterclasses, further promote informed lifestyle choices.
	Fitness and community	Employee-led sports communities (including running, cycling, golf and mountain biking) foster both fitness and connection. Activities such as padel tournaments and wellness challenges (e.g. step or push challenges) encourage participation, healthy competition and team cohesion.
Emotional wellness	Psychosocial support and early intervention	Through Lyra Wellbeing, employees have access to integrated psychosocial support services, including counselling, legal and financial advice, and parental guidance. Lyra's utilisation reporting provides HR with anonymised, data-driven insight into emerging wellbeing trends, highlighting key stressors and areas of risk across the organisation. This moves us beyond anecdotal understanding, enabling clearer visibility of where our people need support most. These insights allow us to proactively identify shifts in wellbeing needs and focus our efforts on targeted, high-impact interventions, ensuring that our response is both relevant and effective, and that our investment in wellbeing delivers meaningful outcomes for our people and the business.
Financial wellbeing and education	Financial management	The Group offers workshops and awareness sessions focused on financial literacy, budgeting and responsible financial management.
Career fulfilment	Professional development and mobility	Employees are supported in their career progression through learnerships, internal coaching and mentoring programmes, and access to subject matter experts across the Group. Cross-functional exposure within the Group's diverse businesses further enhances development opportunities.
	Leadership development	Structured leadership programmes, particularly within the Payments division, support the development of first-time and emerging leaders, equipping them with the capabilities required for effective people leadership and delivery.
Employee engagement	Engagement and feedback culture	The Group actively measures employee engagement through regular surveys and feedback mechanisms. Insights are used to strengthen organisational culture, improve employee experience and enable targeted interventions.
	Connection and collaboration	A range of initiatives are designed to foster connection across the Group, including team-building activities, social events and cross-business engagements. These initiatives support collaboration, strengthen relationships and contribute to a cohesive Group culture.

ESG Refer to the Stakeholder Engagement section on page 15 for more information on employee priorities and Araxi's response to them.

Social impact continued

Employee events

Below are examples of a few of the events across the Group in the reporting period:

Men's conference

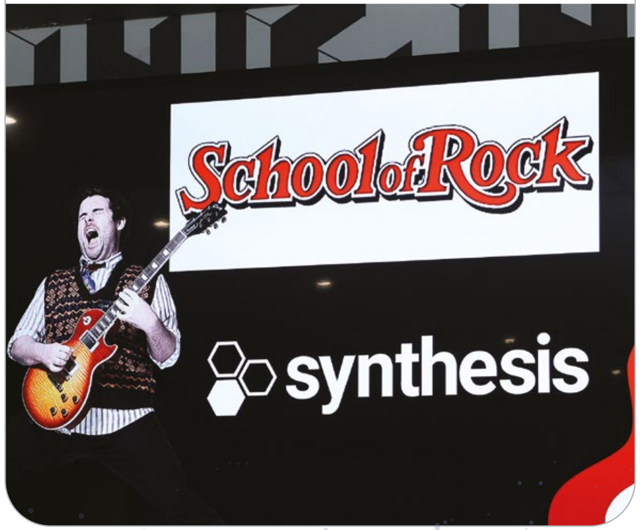
The Payments division hosted a Men's Conference, aimed at breaking stereotypes surrounding men's mental health and emotional wellbeing. The event created a safe space for open conversations, self-reflection and personal growth. It encouraged men to prioritise their wellness, seek support without shame and challenge outdated norms about masculinity.

Heritage Day

The Payments division celebrated Heritage Day in vibrant style, with employees dressing up to represent the rich diversity of our cultures and traditions. The day was filled with colour, pride, and unity as colleagues showcased their heritage, highlighting the importance of embracing and respecting the different backgrounds that make up our organisation.

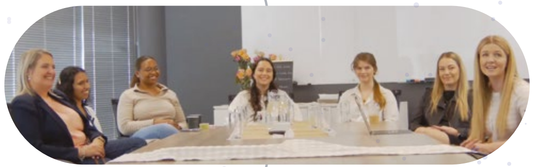
Year-end functions

The end of 2025 was celebrated with a Cape Town and Johannesburg year-end function. The "School of Rock" theme set the scene and contributed to everybody having a great time.



Women's Day panel discussion

Synthesis hosted an event for women to celebrate their journeys in tech at different stages of their careers. A panel discussion explored career progression in the technical industry, from starting out, to overcoming challenges, to leading with impact.



About this report 01
About Araxi 02
Social impact 03
Environmental impact 04
Corporate governance 05
ESG data table 06
Corporate information 07

Social impact continued

Stakeholder engagement

Strong relationships with stakeholders are essential to the long-term success and survival of any business, and the Araxi Group is dedicated to fostering and maintaining these ties.

The Group is committed to engaging with all stakeholders in a transparent, honest, and ethical manner, while upholding the highest standards of integrity in every interaction. Through meaningful stakeholder engagement, the Group is able to identify and address matters that impact both its stakeholders and the business. This engagement also deepens the Group's understanding of stakeholder expectations, aspirations, and interests. Furthermore, it supports the proactive identification and management of potential risks, while uncovering opportunities to enhance performance and foster continuous improvement.

Assessment of stakeholder relationships

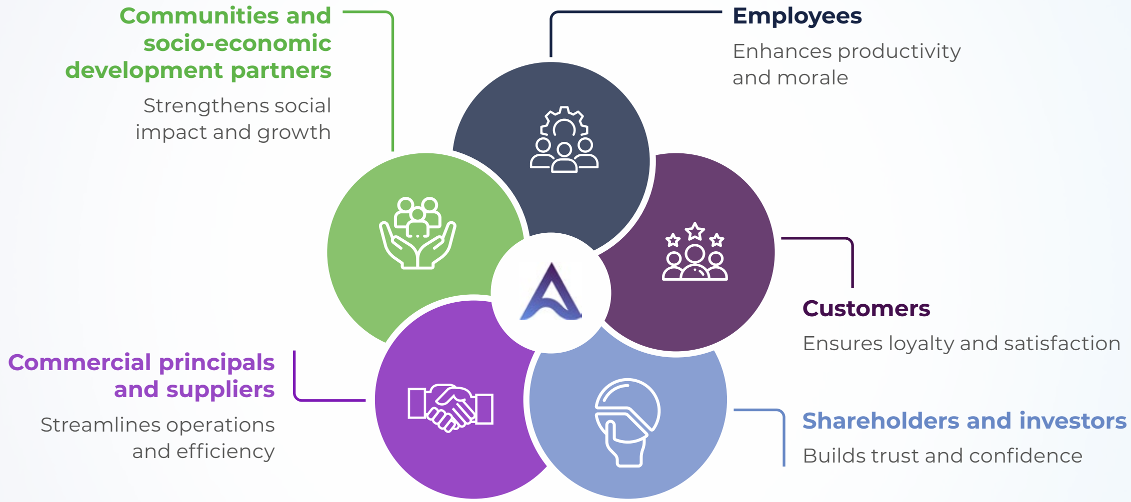
Relationship status

Communities and SED partners	Green
Principals and suppliers	Green
Shareholders and investors	Yellow – More education required
Customers	Green
Employees	Green

Scale:

- Red: A relationship exists and is receiving attention, but needs improvement
- Yellow: A satisfactory relationship exists, and proactive engagement will solidify the relationship over time
- Green: A strong and mutually beneficial relationship exists

Araxi's stakeholder ecosystem



Employees

Araxi places a high priority on the development and well-being of its employees, recognising them as its greatest asset. The Group therefore makes a concerted effort to regularly and appropriately engage with the employees.

Stakeholder priorities

- Recognition and rewards.
- Education, training, career development and growth.
- Opportunities to work remotely.
- Providing meaningful work and creating opportunities to participate in emerging technologies.

Araxi's response

- Promote a hands-on, informal managerial culture, maintain regular interactions with executives and rewards based on key performance indicators.
- Evaluate effective mobile and other communication tools and create opportunities for staff to work in a hybrid environment.
- Offer graduate recruitment programmes to maintain a pipeline of skills and provide employment opportunities.
- Encourage employees to actively participate in CSI engagements.

ESG Refer to page 14 for more information on employee events.

About this report 01
About Araxi 02
Social impact 03
Environmental impact 04
Corporate governance 05
ESG data table 06
Corporate information 07

Social impact continued

Customers

The Group has key customer-focused managers who engage with customers directly and proactively, and address their needs through innovation and creating additional value-added services and solutions.

Stakeholder priorities

- Responding to the changing needs of end-consumers, as well as the overall payment experience.
- Innovative solutions to accommodate new payment form factors, as well as to compete with new market entrants.
- The cost of operations and service delivery needs to be lowered.
- Regulatory compliance is causing an increasing burden and cost.
- Opportunities to improve efficiencies and customer experience through AI.

Araxi's response

- Embrace and adopt changing technologies, and work closely with customers to enable them to respond to their end-customer needs.
- Regular operational/performance review sessions with customers, during which business and performance indicators are discussed.
- The Payments division is audited by Qualified Security Assessor companies that are qualified to validate an entity's adherence to Payment Card Industry Data Security Standard (PCI DSS) compliance.

ESG Refer to page 17 for more information on customer events.

Communities and socio-economic development partners

Programmes for social outreach are expanding and increasingly supporting the community. Working with partners who have a solid track record of performance and accountability allows Araxi to maximise the impact of its socioeconomic development initiatives.

Stakeholder priorities

- A need for financial support for further education.
- More employment opportunities.
- A platform to apply training within a working environment.
- Improvement of direct access to, and accountability of, local government.
- Transfer of developmental skills.

Araxi's response

- Outreach and learnership programmes have been successful in impacting the lives of the underprivileged. They also create a pipeline of skills available for Araxi's subsidiaries.
- Create employment opportunities and prepare individuals for those opportunities.
- Contribute towards known charities involved in the care of impoverished communities.

Shareholders and investors

The engagement primarily focuses on providing feedback on current performance, as well as on the businesses and growth opportunities within the industry. The Company's objectives are to attain a fair valuation through demonstrated performance and prospects, and to increase share liquidity through a diverse and well-informed investor base.

Stakeholder priorities

- Generating favourable returns and ratios.
- Share price growth, share liquidity and share buybacks.
- Consistent dividends and dividend growth.
- A deeper understanding of the underlying subsidiaries.
- More information about Araxi's latest acquisition, Pay@.

Araxi's response

- Capital at the Group's disposal will be utilised for organic investment opportunities, as well as for infrastructure and development of talent to fully maximise its growth opportunities.
- Increase share liquidity and extensive investor engagement to educate investors, broaden the investor audience and increase interest in the investment case of the Group.
- The Group has shared presentations and *pro forma* information on Pay@ and plans an investor event with a Pay@ focus for the new financial year.

IAR Refer to the integrated report on page 21 for more information.

Commercial principals and suppliers

Strong, longstanding and mutually beneficial relationships with key local and international commercial partners hold substantial value and are crucial to Araxi's growth strategy. The quality of these relationships is evident from several awards that Group companies have received over the past few years.

Stakeholder priorities

- Growth opportunities.
- Security of supply.
- Building the reputation of Araxi and its subsidiaries in the industry.

Araxi's response

- Communicate product innovation to partners and ensure service delivery excellence.
- Maintain supportive relationships with Black-owned businesses.
- Meet to measure the performance of service-level agreements.
- Strong representation of the brands.

Social impact continued

Stakeholder engagement initiatives in the reporting period:

Thought leadership

Synthesis held a thought leadership week with key customers. Our partner, Thales, joined us for a discussion on Post Quantum Cryptography (PQC), and one of the world's leading authorities on PQC, Blair Canavan from Canada, led a discussion on an organisation's risk surface.

Round table events

Our AWS and Oracle partner, Cintra, addressed the attendees at our Cape Town and Johannesburg events on optimising cost on Oracle, and modernising Oracle workloads on AWS.

AWS annual global conference

Paul Spagnoletti from Synthesis was invited to speak at the annual global AWS conference in Las Vegas on the importance of getting to cloud successfully to fully take advantage of exciting developments in AI and other cloud native services.

Battle of the Padel Tournament

The Payments division hosted the annual Battle of the Padel Tournament, sponsored by Newland Payment Technology, bringing together more than 100 clients, partners and colleagues to strengthen relationships, encourage team connection and support stakeholder engagement. Although rainy weather interrupted the tournament, the event maintained a positive atmosphere and great energy, and provided valuable opportunities for networking and meaningful connection in an informal setting.

AWS Africa events

Archie Arakkal and Jared Naude from Synthesis were guest speakers at AWS events and spoke about how to kickstart your cloud journey and build your own network threat feed.

Archie Arakkal and Kieron Ekron also spoke at the local AWS SSA Summit on Agentic AI on AWS.

Paul Spagnoletti was invited to join the Umbrella FinOps and Cloud Cost Management panel at the AWS SSA Summit to discuss cloud cost optimisation.

About this report 01
About Araxi 02
Social impact 03
Environmental impact 04
Corporate governance 05
ESG data table 06
Corporate information 07

Environmental impact

Araxi's environmental impact remains limited, largely due to its relatively low consumption of water and energy, as well as its responsible management and disposal of electronic and office waste. Nevertheless, the Group acknowledges the growing impact of climate change and is committed to implementing practical initiatives, wherever feasible, to help mitigate its effects within the South African context. Environmental responsibility is applied in a proportionate and practical manner with measured and independently assured compliance in areas where operational impact is most significant.

The rapid expansion of industries that manufacture and utilise plastic products continues to pose a significant environmental challenge. In response, the Araxi Group is committed to the responsible destruction and disposal of electronic waste in accordance with the requirements of Extended Producer Responsibility (EPR) regulations. These regulations promote the development of recyclable and biodegradable products, while holding manufacturers accountable for the environmental impact of their products throughout their entire life cycle, including end-of-life disposal. The Group adheres to these principles to minimise the environmental footprint associated with its POS devices and related electronic equipment.

The eco-design of terminals by OEMs, Ingenico and Newland NPT, supports recycling initiatives, demonstrating the industry's commitment to environmental protection.

The Payments division is a member of eWASA, a registered Producer Responsibility Organisation (PRO) with the Department of Forestry, Fisheries and the Environment (DFFE) for the Electrical and Electronic Equipment, Lighting and Paper and Packaging and Portable Batteries Sectors. As a member, the Company has the responsibility to adhere to legal compliance and environmental standards, ensure the wellbeing of workers involved in e-waste handling and record the volume and type of e-waste collected, weighed and recycled.

The waste is collected from Araxi offices by URAD-SA, a company specialising in the safe disposal of defective electronic waste. Once collected, the company recycles all redundant POS and technology equipment and issues an asset register, as well as a Certificate of Destruction.

The Group's recycling programme maintained a consistent waste footprint while improving classification accuracy and compliance handling.

The results demonstrate **greater operational discipline**, particularly in battery management and packaging recovery, with continued focus and involvement in expanding **circular economy** initiatives.

Waste recycled increased by 300kg to 16 948.25kg in the reporting period, compared to the previous period, of which cardboard, plastic wraps and wooden pallets made up 6 218kg, Lithium-Ion batteries were 2 596.95kg, plastic was 7 794kg, and the rest consisted of electronic waste, PC boards and SIM cards.

Araxi's efforts to manage and reduce its environmental impact also entail:

- Minimising the use of hazardous materials, energy and other natural resources.
- Minimising the generation of waste.
- Recycling of all paper, packaging, food and plastics.
- Enabling the recycling and reuse of materials.
- Utilising the services of a certified ISO-compliant vendor to dismantle, destroy and recycle all POS hardware, waste batteries and componentry in a compliant and environmentally friendly way.
- Repurposing technologies through resale, recycling or reinvestment into the community:
  - Redundant and entry-level laptops are donated to charities.
  - Broken laptops, screens, keyboards and UPS units are recycled for reuse.

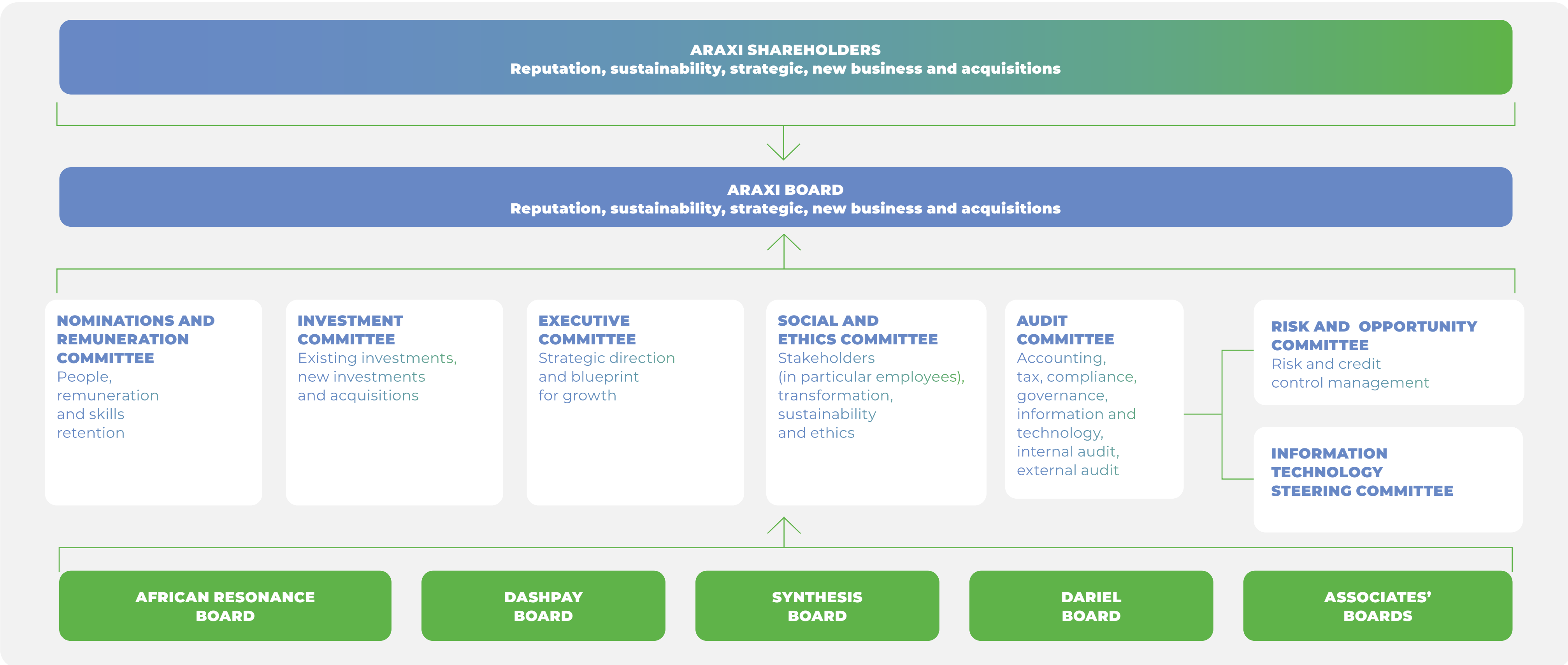
Corporate governance

This is an extract of the comprehensive Governance report contained within the 2026 integrated report.

IAR Refer to page 41 for a full report.

Araxi upholds a governance philosophy grounded in strong leadership, ethical conduct, integrity, accountability, transparency and responsibility. The Group's approach to governance is closely aligned with the core values and strategic objectives, ensuring that robust governance practices are entrenched across all areas of the business. The principles of King V™ are embedded within the Group's internal controls, policies and procedures, and guide all aspects of corporate conduct and decision-making.

Governance framework and structure



About this report 01
About Araxi 02
Social impact 03
Environmental impact 04
Corporate governance 05
ESG data table 06
Corporate information 07

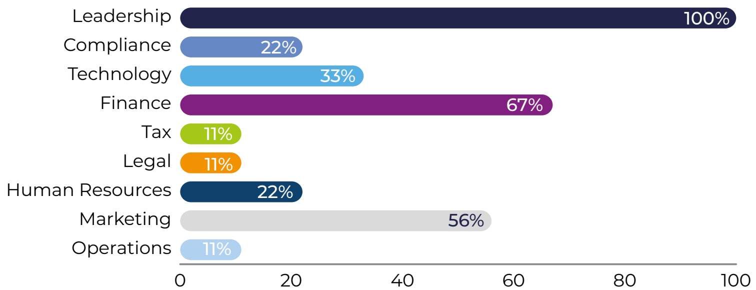
Corporate governance continued

Board diversity

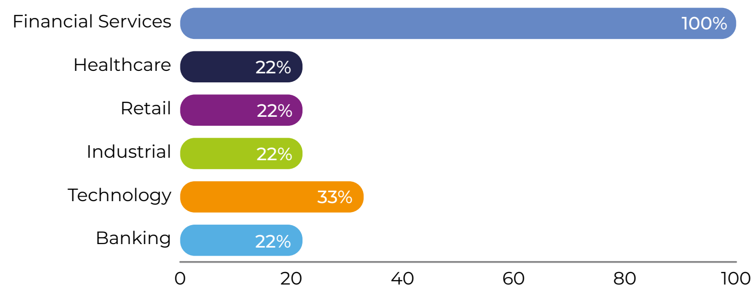
Recognising the value that diversity brings in its broadest sense, the Board has adopted a comprehensive diversity policy, together with voluntary targets aimed at promoting diversity and inclusivity at the Board level. The Board's diversity policy and associated targets are reviewed annually. A voluntary target of 50% directors from previously disadvantaged groups, of which three are female, was set for the 2025 financial year, and was met in the reporting period.

Diversity analysis of non-executive directors as at 30 June 2026

Board expertise



Board sector experience



A well-established, diverse and transformed leadership team

Our Board and executive team as at 30 June 2026

Non-executive directors

- Michael Pimstein (71), Executive Chairman, appointed 3 March 2015. Became non-executive Chairman on 31 July 2026.
- Kuseni Dlamini (57), independent, appointed 9 May 2018 – Lead independent director.
- Bukelwa Bulo (48), independent, appointed 15 September 2015.
- Amanda Dambuza (48), independent, appointed 4 December 2023.
- Victor Sekese (59), independent, appointed 15 September 2015.
- Rorisang (Roxy) Maqache (51), non-independent, appointed 4 December 2020. Became independent on 2 June 2026.

Executive management

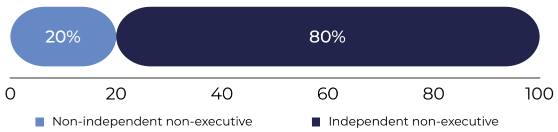
- Bradley Sacks (59), Chief Executive Officer, appointed 19 March 2015.
- Sjoerd Douwenga (46), Chief Financial and Value Enhancement Officer, appointed 31 December 2024.

Divisional management

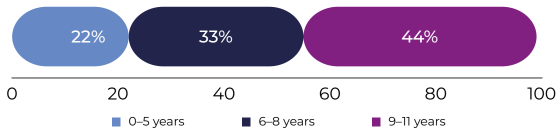
- Michael Shapiro (53), Head of Software Division and executive director, appointed 12 June 2019.
- Donn Engelbrecht (57), Head of Payments Division and prescribed officer, appointed 1 April 2016.

Biographies of the directors appear on the Araxi website.

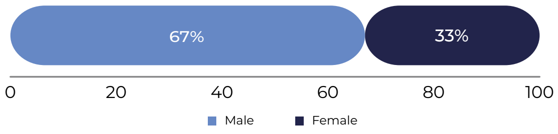
Independence



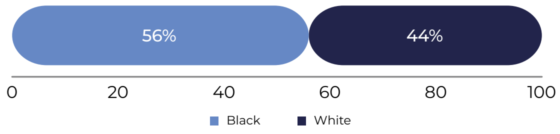
Tenure of all directors



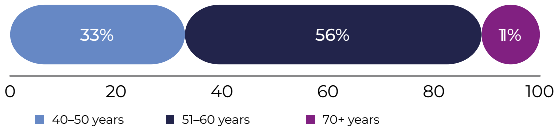
Gender



Race



Age



Focused and informed deliberations

3 Board meetings | 100% meeting attendance

11 committee meetings | 95% meeting attendance

ESG data table

(Values as at 31 March 2026)

Description	Unit of measure	2026	2025	2024
Governance				
Number of Board members	Number	**9**	10	10
Number of Board members who are deemed non-executive	Number	**5**	6	6
Number of Board members who are deemed executive	Number	**4**	4	4
Number of Prescribed Officers (Note: Persons who are NOT already counted as executives	Number	**1**	1	1
Number of Board members who are deemed Independent	Number	**5**	5	5
Number of Board members who are deemed HDSA	Number	**5**	5	5
Number of Board members who are women	Number	**3**	3	3
Average length of executive director service	Years	**8**	9	8
Average length of non-executive director service	Years	**8**	7	6
Does the Company have a lead independent director?	Y/N	**Y**	Y	Y
Average length of full Board Service	Years	**8**	8	7
Average age of directors	Years	**55**	58	57
Overall Board and committee meeting attendance	%	**96**	100	100
Independence of Board Chairman	Y/N	**N**	N	N
Does the Company have a publicly available human rights policy?	Y/N	**N**	N	N
Number of human rights violations reported	Number	**0**	0	0
Does the Company include ESG in service-level agreements with suppliers?	Y/N	**N**	N	N
Does the Company formally audit suppliers and contractors for ESG compliance (including human rights)?	Y/N	**N**	N	N
Are shareholders given the right to vote on executive remuneration?	Y/N	**Y**	Y	Y
Are shareholders' right to vote on executive remuneration binding?	Y/N	**N**	N	N

ESG data table continued

Description	Unit of measure	2026	2025	2024
Are shareholders given the right to vote on sustainability-related resolutions?	Y/N	**Y**	Y	Y
Are shareholders' right to vote on sustainability-related resolutions binding?	Y/N	**N**	N	N
Does the Company publicly disclose its voting record on sustainability-related resolutions?	Y/N	**Y**	Y	Y
Is the voting record on sustainability-related resolutions binding?	Y/N	**N**	N	N
Labour				
Total number of employees – permanent	Number	**507**	604	669
Total number of employees – fixed term (>90 days, but not permanent)	Number	**58**	79	88
Total number of employees – temporary (<90 days)	Number	**0**	0	0
Total number of employees – all	Number	**567**	683	757
Total number of employees operating in South Africa	Number	**565**	681	755
Percentage of management (top and senior) deemed HDSA	%	**12.0**	22.3	26.1
Percentage of management (top and senior) who are women	%	**10.8**	16.0	15.0
Percentage of employees who are deemed HDSA	%	**58.2**	56.7	55.0
Percentage of employees who are women	%	**39.3**	38.2	34.4
Percentage of employees who are permanent	%	**89.7**	88.4	88.3
Number of employees who are deemed disabled	Number	**30**	34	25
Percentage of employees who belong to a trade union	%	**0**	0	0
Percentage employee turnover	%	**22.7**	17.3	7 .1
Total number of employees trained, including internal and external training interventions	Number	**535**	582	539
Percentage of employees trained in South Africa	%	**83.8**	96.8	96.6
Rand value of employee training spend (as per WSP submission)	R'million	**10.6**	12.9	22.8

ESG data table continued

Description	Unit of measure	2026	2025	2024
Percentage of training spent in South Africa	%	**97.8**	98.8	98.8
Total number of learnerships and intern programmes	Number	**88**	134	92
Percentage of learnership and internship candidates who are HDSA	%	**97.7**	92.5	89.2
Total number of person-days lost due to industrial action	Number	**0**	0	0
Health and safety				
Number of fatalities	Number	**0**	0	0
Number of medical treatment cases	Number	**0**	2	2
Number of lost-time injuries	Number	**0**	0	0
CSI/SED expenditures				
Total value of CSI/SED spend	R'million	**4.0**	3.7	3.5
CSI/SED spend as a percentage of the total revenue generated	%	**0.3**	0.3	0.3
CSI spend as a percentage of net profit after tax	%	**2.4**	1.8	2.2
Percentage of total CSI/SED spend in South Africa	%	**100**	100	100
Rand value of CSI/SED spend on basic needs and social development, including nutrition and/or feeding programmes	R'million	**2.4**	0.5	1.1
Rand value of CSI/SED spend on education	R'million	**0.1**	1.7	0.9
Rand value of CSI/SED spend on health, including HIV/AIDS	R'million	**1.4**	1.4	0.4
Rand value of CSI/SED spend on other	R'million	**0.1**	0.2	1.0
Enterprise development				
Rand value of enterprise development spend (i.e. support for small business)	R'million	**6.8***	8.0*	5.4*
Skills development				
Rand value of external bursaries and learnerships	R'million	**9.2***	9.4*	10.5*

* *Current and longer-term funding for ESG projects.*

Corporate information

Country of incorporation and domicile	Republic of South Africa
Registration number	2014/253277/06
ISIN	ZAE000208245
JSE share code	AXX
A2X share code	AXXJ
FTSE industry classification sector	Technology: Software and Computer Services
Directors	MR Pimstein* (Non-executive Chairman), BJ Sacks* (Chief Executive Officer), S Douwenga* (Chief Financial and Value Enhancement Officer), MB Shapiro*, B Bulo#, KD Dlamini# (lead independent director), RT Maqache#, VM Sekese#, A Dambuza# * *Executive* # *Non-executive*
Registered office	Amdec House, 2nd Floor, 1 Melrose Square Old House Lane, Melrose Arch Johannesburg, Gauteng, 2196
Telephone	+27 010 025 1000
Email	investor@araxigroup.com
Website	www.araxigroup.com

Company Secretary	PKF Octagon 21 Scott Street Waverley Johannesburg, 2090 (Private Bag X02, Highlands North, 2037) Email: peterkatz@pkfoctagon.com
Auditor	Deloitte & Touche 5 Magwa Crescent Midrand, 2090
Sponsor	Investec Bank Limited 100 Grayston Drive Sandown Sandton, 2196
Transfer Secretary	Computershare Investor Services Proprietary Limited Rosebank Towers 15 Biermann Avenue Rosebank, 2196
Investor relations	Aprio Strategic Communications Telephone: +27 82 491 7583 Email: lydia@aprio.co.za