

2024

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Annual Report

Voice of Business in South Africa

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PRESIDENT'S MESSAGE

Mxolisi Mgojo, BUSA President

It is my pleasure to present my first Annual Report since becoming President of BUSA in January 2024. I am grateful to the BUSA board for their warm welcome, and I am immensely proud of what our small team has achieved with the support of all BUSA members. Although our team comprises only 20 full-time staff, the public perceives us as a large organisation that employs thousands, thanks to your unwavering support and dedication to ensuring that the voice of business is heard and respected. The following pages of this report highlight many notable achievements from the past year. I would like to emphasise a few key accomplishments that fall under the board's purview.

Firstly, the board's most important task was to oversee the leadership transition from the previous chief executive officer (CEO) to the current one.

“ In its wisdom, the board appointed the then-deputy CEO as CEO designate in March, allowing for a nine-month transition period. This approach ensured a smooth leadership transition.



Additionally, the board appointed the former CEO as the leader of our B20, formally referred to as the sherpa, in the second half of 2024, allowing the new CEO to focus on his new responsibilities.

Secondly, we prepared for BUSA's presidency of the B20, with the handover process from Brazil to South Africa beginning as early as July 2024. The board's foresight in assigning the previous CEO to lead these efforts was crucial for our success. By the time the handover formally occurred in December, many key structures were already in place and processes concluded. The support from Business Leadership South Africa (BLSA) as co-convenor and chair of the B20 has been invaluable, and the work of the B20 Secretariat has been significantly facilitated by the extensive support from members of BLSA.



I would like to express my sincere gratitude to the chairperson, and board of BLSA for partnering with BUSA in leading this important work on behalf of the South African business community.

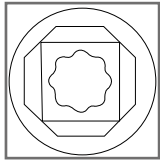
Thirdly, the board provided oversight and support to the team executing agreed priorities within our Business for South Africa (B4SA) partnership with the government. Together, we have addressed significant challenges, including energy issues, crime and corruption, youth unemployment, and transport and logistics. Remarkable progress has been made in each of these areas, demonstrating what we can accomplish when we work together. We consider this partnership to be a unique model for addressing some of the critical challenges facing the country.

The private sector has made significant contributions, providing both funding and skilled personnel to support this initiative.



Fourthly, last year's annual general meeting was a success, during which members elected the President and Deputy President of BUSA for the next three-year term. President Ramaphosa delivered a virtual keynote address due to his busy schedule.

I am grateful to all BUSA members for the confidence you have placed in me by electing me for my first full term as your president, and I congratulate Adrian Gore on his final three-year term as Deputy President.



Finally, 2024 was significant for another reason:

South Africa held its 7th National Elections. Although the election results did not yield a single majority party, they were widely accepted as a reflection of the people's will. Notably, the ANC accepted the results despite falling significantly below the 50% mark required to form a government. This situation led to the formation of a Government of National Unity (GNU), illustrating the parties' willingness to put aside their political differences and work in the country's interest.

These events show that, as South Africans, we can unite in pursuit of a common cause, and we must build on this momentum.



At the end of 2024, BUSA bid farewell to its former CEO, Cas Coovadia, a business leader with a long history of service, including a tenure as the Managing Director of the Banking Association South Africa (BASA) before joining BUSA. His dedication led him to step into the acting CEO role whenever needed. Cas has devoted much of his professional life since 1994 to serving organised business, and he willingly agreed to take on the role of B20 sherpa at the beginning of 2025. We owe him and his wife Sabera, along with their family, a deep debt of gratitude.

The year 2025 promises to be exceptional. As we look ahead, we are filled with gratitude for the opportunity our country has to hold the Presidency of the G20 and B20. While this year-long presidency will stretch our capacities, it also presents immense opportunities for us to shine. From the staff at our various ports of entry to the drivers who will transport our visitors attending G20-related events, to the hotels and restaurants serving them in diverse ways, and to those who will participate in meetings alongside them to set a global policy agenda on various matters, we all have a chance to showcase our best. Let us embrace this opportunity and use it wisely.



CHIEF EXECUTIVE OFFICER'S REPORT

Khulekani Mathe, BUSA CEO



This report summarises BUSA's activities in 2024, highlighting the contributions of our staff and volunteers from member organisations. It details both successes and setbacks, showcasing the resilience of the South African business community and the power of collaboration across various sectors. While the full extent of the impact of the challenges we face without the partnership is uncertain, it is fair to say that the collaboration between government and business has mitigated the potentially adverse effects from materialising.

**The leadership of
the President, his
Cabinet, and the
numerous business
leaders who
generously offered
their time and
resources deserve
our highest praise**

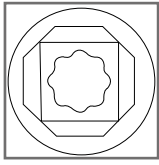
BUSA and BLSA Leadership of the B20



By the time the handover of the G20 Presidency from Brazil to South Africa took place on 1 December 2024, BUSA, in conjunction with BLSA, was prepared to assume the chair of the B20. This readiness was the result of many months of preparation, which included the participation of the BUSA CEO and President in various B20 Brazil activities. Sharing the responsibility for the B20 with BLSA was a masterstroke, alleviating some of the burden. The support from South African businesses, who assisted in various ways, facilitated a smooth transition from B20 Brazil to B20 South Africa. However, this was merely the beginning, as much of the B20 activities will continue into 2025.

The year concluded positively with the successful completion of the most significant elections since 1994 and the formation of the Government of National Unity (GNU). However, it began with uncertainties regarding what the outcome would entail. The voter turnout in the 2024 general elections raises concerns about the strength of our democracy and indicates a disaffected electorate that warrants attention moving forward. All political parties that participated in the elections deserve commendation for their conduct, particularly the ANC, which graciously accepted the loss of its majority. This development has bolstered business and consumer confidence, ending the year with renewed economic optimism.

The Positive Impact of the Formation of the Government of National Unity



BUSA Campaign for the Passing of the Electricity Regulation Amendment Bill to Drive Energy Industry Reforms

Earlier in the year, BUSA campaigned vigorously for the passing of the Electricity Regulation Amendment Bill, which is essential for the necessary reforms to transform the energy sector. We actively participated in the parliamentary process within both the National Assembly (NA) and the National Council of Provinces (NCOP), including the provincial consultations that were conducted. The Bill was successfully passed by both houses and forwarded to the President for assent.



UNSUCCESSFUL ATTEMPTS TO PERSUADE PARLIAMENT TO ADOPT A MORE INCLUSIVE NATIONAL HEALTH INSURANCE TOWARDS UNIVERSAL HEALTH COVERAGE



We followed a similar process concerning the National Health Insurance (NHI) Bill, presenting thoroughly researched submissions to Parliament. Unfortunately, our recommendations were not favoured by the committees reviewing the Bill, and it was passed largely unchanged before being sent to the President for his signature, which occurred on 15 May 2024, just prior to the elections. Despite this setback, we continued to seek opportunities for engagement with the government and met with President Ramaphosa, Minister Motsoaledi, and senior officials in September, where we reiterated our concerns about the NHI Act in its current form. The President invited BUSA to submit proposed solutions to the issues we raised, which we did on 4 November 2024. As of now, we have yet to receive any feedback from the President. In May last year, BUSA faced the difficult decision to withdraw from the signing

ceremony of the second Presidential Health Compact due to wording that equated support for the Compact with support for the NHI, about which we have publicly expressed concerns.

Business-Government Partnership on Youth Employment

Beyond the initiatives focused on addressing the energy crisis, transport and logistics challenges, and crime and corruption—covered in detail later in this report—an initiative aimed at tackling youth unemployment was also launched. Much of the year was dedicated to garnering support and resources for this initiative while ensuring an agreed plan outlining priority actions. This initiative builds upon the existing work undertaken by the government and business, exploring methods to expand their reach and impact. It begins with the premise that employment creation is a product of economic growth and identifies high-growth sectors to prioritise. Research indicates that, even when jobs are created in the economy, young people do not benefit to the same extent as older participants in the labour market. Therefore, the initiative promotes targeted measures to address the challenges faced by young job seekers, among many other interventions.



Support for the Recovery of the City of Johannesburg

The infrastructure and service delivery failure in the City of Johannesburg is a significant concern for the business community.



While urgent efforts should be directed towards rescuing municipalities across the country, Johannesburg is unique. As the economic hub of South Africa, it is central to the economies of all provinces, neighbouring countries, and the continent as a whole. It is home to the headquarters of the majority of South African corporations and the country offices of multinationals. The causes and consequences of its failures differ from those of many other municipalities, and it deserves special attention. To assist with Johannesburg's recovery, we engaged with various stakeholders, including business organisations such as Jozi My Jozi, the National Business Initiative, the South African Property Owners Association, the Johannesburg Chamber of Commerce and Industry, the Johannesburg Inner City Partnership, and residents' organisations such as

the Johannesburg Crisis Alliance. We also consulted with government entities like the City of Johannesburg, the South African Local Government Association (SALGA), the National Treasury City Support Programme, and the Presidency. Together, we explored the role business could play in partnership with other stakeholders to respond to the crisis in Johannesburg. Towards the end of the year, largely due to the relentless efforts of various civic organisations, the President announced a presidential intervention in the city.

BUSA welcomes this breakthrough and continues to collaborate with the relevant structures involved in this initiative.

Business Response to the Impact of the Mozambique Unrest on Business and Trade Flows



The unrest in Mozambique, following the disputed election results on 9 October 2024, starkly demonstrated the importance of political stability for business, economic activity, and the well-being of citizens. This unrest threatened the flow of goods between South Africa and Mozambique, as well as other Southern African Development Community (SADC) countries.

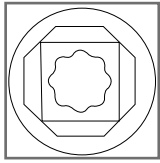
Shops faced shortages as trucks transporting food were vandalised and torched, disrupting cargo destined for export via Maputo port. South African businesses operating in Mozambique raised alarms with business organisations and government entities.

The collaboration between the regional government body, SADC, the South African and Mozambican governments, along with regional and national business organisations such as the SADC Business Council, the South African Chamber of Business in Mozambique, BUSA, and various BUSA members, helped to mitigate the negative impact. BUSA played a central role in these efforts, coordinating responses to the crisis throughout the December holidays, including on New Year's Day, highlighting the commitment of our business organisations to advocate for their members. We are grateful to all who sacrificed their holidays to serve the business community in all affected countries.

Meetings with Ministers as part of BUSA's Legislation and Policy Advocacy Process

BUSA held meetings with the following Ministers:

- Dr. Aaron Motsoaledi, Minister of Health.
- Dr. Leon Schreiber, Minister of Home Affairs.
- Mr. Parks Tau, Minister of Trade, Industry and Competition.
- Dr. Kgosientsho Ramokgopa, Minister of Energy and Electricity.
- Ms. Siviwe Gwarube, Minister of Basic Education.
- Ms. Nomakhosazana Meth, Minister of Employment and Labour.
- Ms. Barbara Creecy, Minister of Transport.
- Ms. Khumbudzo Ntshavheni, Minister in the Presidency.
- Mr. Enoch Godongwana, Minister of Finance.
- Mr. Ronald Lamola, Minister of International Relations and Cooperation.
- Mr. Solly Malatsi, Minister of Communication and Digital Technology.



Conclusion

Over the past year, the South African business flag has continued to fly high, both domestically and internationally. This achievement can be attributed to the dedicated BUSA team and the many members who volunteered their time to represent BUSA across various platforms. I would like to extend my gratitude to everyone who contributed to BUSA's work over the past year, particularly the members of the BUSA board for their guidance and support during this time of transition.

I look forward to many fruitful years of collaboration with all of you in service to our business community.



NATIONAL ECONOMIC DEVELOPMENT AND LABOUR COUNCIL REPORT

In the first year of the 7th Administration (the Government of National Unity, “GNU”), the National Economic Development and Labour Administration Council (“NEDLAC”) continued to process significant policy and legislative proposals that impact the labour market and economy. Once again, BUSA and its members played a central role in representing the voice of business and employers in these discussions. This year also marked the final year of Ms Lisa Seftel’s leadership of the institution, during which she deserves recognition for revitalising the secretariat to enhance performance in both financial and non-financial objectives.

Achievements



The launch of the two-pot retirement system in September 2024, thanks in part to the collaborative efforts of NEDLAC’s social partners.



The delivery of a report reflecting on NEDLAC’s 30-year existence, outlining achievements, lessons learned, and recommendations for the 7th Administration to consider.



Following sustained pressure, NEDLAC finally engaged with the Tobacco Products and Electronic Delivery Systems Control Bill before it returned to Parliament.



The Labour Law Reform Task Team completed its work, proposing a series of amendments to the Labour Relations Act, the Basic Conditions of Employment Act, the National Minimum Wage Act, and the Employment Equity Act. These amendments are now awaiting further Parliamentary processes.



An information-sharing symposium on social dialogue, held in partnership with the ILO, included participants from Algeria, Senegal, and SADC countries.



NEDLAC met most of its core goals, achieving a second consecutive clean audit for the review period.

Challenges

However, some persistent challenges remained, including:

- Issues with the UIF administration continued, despite promises from the Minister and the Department of Employment and Labour to prioritise reforms. NEDLAC's efforts in this area have made no progress, prompting Business and Labour to call for the Fund to be placed under administration. Reports of maladministration and unstable leadership at the Fund exacerbate these concerns.
- There was ongoing reluctance among some Government departments to engage meaningfully with NEDLAC. For instance, the Department of Health only brought the Tobacco Products

and Electronic Delivery Systems Control Bill to NEDLAC after significant pressure.

Looking Ahead

- Mr Makhukhu Mampuru has been appointed as the new Executive Director of NEDLAC, effective February 2025. Under his leadership, NEDLAC is expected to support the National Dialogue process with secretariat services.
- The decoupling of the Presidential Climate Commission from NEDLAC is still pending; however, no institutional arrangements have yet been outlined. The impact of the PCC's programmes on NEDLAC's budget will need close and continuous monitoring.

Kaizer Moyane NEDLAC Business Overall Convenor



SOCIAL AND LABOUR MARKET POLICY REPORT

**Sanelisiwe Jantjies, Acting Social Policy
Director**



International Labour Conference

The 112th International Labour Conference, held from 2 to 14 June 2024, was a significant success. BUSA is proud to serve as the apex representative body for South African employers through the International Organisation of Employers (IOE). The BUSA delegation was led by Kaizer Moyane, who is also the Employers' Spokesperson on the Committee on the Application of Standards. We are delighted by the high-quality contributions from our technical committee representatives within the first Standard-Setting Committee focused on Biological Hazards, Decent Work in the Care Economy, and Fundamental Principles and Rights at

Work. BUSA continues to play a critical role in the international policy and advocacy arena.

Regional and Continental Business Representation

In pursuit of an Africa that acknowledges the importance of a thriving and equitable private sector, BUSA has maintained its South African employer representation at the continental body, Business Africa, the Southern African Development Community (SADC) Business Council, and the SADC Private Sector Forum (SPSF). Through these structures, we have facilitated significant advancements in fragmented labour market intelligence systems, which will serve as essential tools in policy discussions on migration, skills development, and social security.

This progress has been long overdue, and the business sector will persist in monitoring implementation domestically through policy and legislative formulation.

Unemployment Insurance Fund (UIF)

The UIF and Compensation Fund remain areas of significant concern. The business community has been advocating for the revitalisation of these entities to ensure proper management of employer and employee funds. This has been a four-year journey, marked by many unfulfilled commitments to reform the UIF. BUSA will continue to advocate for the reform of these funds in 2025 and ensure they are effectively managed.

Employment Equity Regulations, 2025

Following the coming into force of the Employment Equity Amendment Act on 1 January 2025, the Minister of Employment and Labour is expected to consult various sectors regarding the establishment of sectoral employment equity targets. BUSA's discussions with the Minister have not resolved the concerns raised by its members regarding these targets, which were gazetted in April 2025. While BUSA remains committed to the country's transformation agenda, we are questioning certain aspects of the regulations that establish and enforce the sectoral targets.

Key concerns include:

- The consultation process undertaken by the Minister and the Department does not meet legal standards, particularly regarding consultation periods and the quality of engagement.
- The methodology for setting targets raises questions; no credible data was provided to justify the proposed targets, and relevant information and arguments from various sectors and sub-sectors were overlooked or dismissed without valid justification.
- Adhering to some of the targets may lead to artificial restructuring of organisations, resulting in inefficiencies and instability in the workplace.

“

BUSA remains hopeful that these issues can be addressed to the satisfaction of all parties to avoid costly litigation.

ENERGY AND ENVIRONMENTAL POLICY REPORT

Happy Khambule, Environment and Energy Director



Electricity Regulation Amendment Bill

Electricity Regulation Amendment Bill
One of the most significant interventions this year was BUSA's involvement in shaping the Electricity Regulation Amendment (ERA) Bill, which was subsequently passed by Parliament and signed into law by President Cyril Ramaphosa.

The organisation's submissions and ongoing engagement significantly contributed to the inclusion of transformative provisions, such as the establishment of a Transmission System Operator (TSO), a Central Purchasing Agency (CPA), and the development of a competitive electricity market framework. These institutional changes are expected to lay the groundwork for a liberalised electricity sector.

BUSA's proposals, which included the formalisation of a day-ahead market and a clear assignment of responsibilities across institutions, were essential in ensuring that the Bill is not only future-fit but also aligned with the broader economic imperatives of energy affordability and reliability.

Electricity Pricing Policy

BUSA also played a proactive role in influencing the Electricity Pricing Policy (EPP), particularly through its representation on the NEDLAC Task Team. The organisation's engagement was pivotal in securing transitional pricing provisions that addressed legacy inefficiencies while creating room for structural reform. Its consistent emphasis on affordability, transparency, and cost-reflectivity ensured that the draft policy responded to the business sector's pressing concerns and laid a foundation for more equitable pricing structures in the future.

Gas Supply Challenges

Simultaneously, gas supply challenges dominated policy discussions as the country faced the implications of Sasol's announcement to cease pipeline-based gas supply by 2026, with a later date being formally communicated. BUSA responded by articulating a comprehensive gas position paper, which catalysed a broad stakeholder engagement process. Through coordinated dialogues with Eskom, IPPO, DMRE, CEF, Transnet, and other stakeholders, BUSA emphasised the urgency of securing transitional gas supply solutions, including new infrastructure, commercial partnerships, and the potential role of a centralised gas aggregator. The organisation's efforts highlighted the need for clearer institutional coordination and strong political will to avoid a near-term supply crisis, as gas continues to be positioned as a bridge fuel in South Africa's broader transition.

Energy One Stop Shop



In support of the national Energy Action Plan, BUSA took a leading role in conceptualising and operationally integrating the Energy One Stop Shop (EOSS). Designed to simplify the registration and regulatory process for private energy developers, the EOSS was built upon BUSA's technical and policy input from the outset. By facilitating

linkages between DTIC, NERSA, and other agencies, including development partners, BUSA helped create a system that significantly reduced approval timelines and established a centralised portal for project registration under Schedule 2 of the ERA. By year-end, over 150 private sector projects had been supported through this mechanism, demonstrating that the EOSS is a critical enabler of accelerated energy investment.

Grid Infrastructure Access

BUSA also defended the principles of transparency and non-discrimination in grid infrastructure access by formally opposing Eskom's blanket grid capacity reservation application for Section 34 Independent Power Producers (IPPs). The absence of public justification, potential market distortion, and threats to open access principles were key reasons for BUSA's rejection. Additionally, the organisation added substantial value to the Eskom Multi-Year Price Determination (MYPD6) review process by commissioning an independent technical assessment of Eskom's financial and operational assumptions. This analysis provided evidence-based insights that enhanced the integrity of BUSA's regulatory engagements and reinforced its role as a credible partner in navigating energy system reform.

Advancing Climate Governance

BUSA's environmental policy agenda in 2024 demonstrated a strategic commitment to facilitating a just transition, advancing climate governance, and enhancing regulatory predictability. Recognising the crucial role of fiscal policy in supporting low-emission development, BUSA commissioned foundational research into carbon incentives, allowances, and subsidies. This initiative aimed to lay the groundwork for a green industrial strategy, enabling businesses to align technological advancements with both emissions reductions and economic competitiveness. The research was timely and forward-looking, providing members with an analytical basis to engage meaningfully with National Treasury and other stakeholders regarding shared responsibilities for decarbonisation.

BUSA's Just Transition Vision 2050

An important milestone in this agenda was the adoption of the Just Transition Vision 2050. Developed in response to a request from the Presidential Climate Commission, the Vision underscores BUSA's commitment to an inclusive, economically viable, and socially just transition. It acknowledges the varying degrees of exposure and vulnerability among business sectors and aims to ensure that future dialogue with labour, government, and international partners is rooted in shared priorities and a long-term outlook. This Vision now serves as the foundation for sector-wide collaboration and planning.

Climate Change Bill

BUSA's engagement with the Climate Change Bill further established its role as a key stakeholder in national climate policy. Its submissions and technical involvement during the legislative drafting phase, as well as in the development of implementation regulations related to carbon budgets and sectoral emission targets, demonstrated the business community's commitment to credible and science-aligned climate governance. These efforts aimed to balance ambition with feasibility, ensuring that policy measures are grounded in economic realities.

Waste Definitions and Water Use Licence Conditions

At the same time, BUSA responded robustly to ongoing challenges in environmental regulation, particularly concerning waste definitions and water use licence conditions. Through bilateral engagements with the relevant departments and formalised task teams, BUSA sought to address ambiguities that hinder compliance and investment. The key takeaway was clear: legal clarity and consistent implementation are just as vital to environmental stewardship as the substantive laws themselves.

European Union Carbon Border Adjustment Mechanism

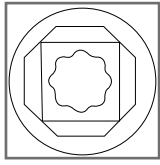
Trade and climate dynamics also gained attention with the emergence of the EU Carbon Border Adjustment Mechanism (CBAM). BUSA's proactive approach, anchored by its partnership with the National Business Initiative, helped members understand their exposure and prepare for evolving disclosure and compliance requirements. The emphasis on carbon accounting and emissions data readiness became a recurring theme in business preparedness, highlighting how trade competitiveness is now closely linked to environmental transparency.

Institutional Partnerships

Institutional partnerships were strengthened in 2024, with a renewed effort to formalise BUSA's collaboration with the Department of Forestry, Fisheries, and the Environment (DFFE). Agreements to establish structured bilateral meetings with DFFE's chief directorates were well received by members, providing predictability and continuity in engagement. At the international level, the partnership with Danish Industry illustrated the potential for cross-country collaboration in addressing just transition challenges. The proposed rollout of the Climate Fit tool, adapted for South African use, offered a practical means of building climate disclosure capabilities within the business community.

Conference of Parties 29

Finally, BUSA's leadership and visibility on the global stage were reinforced through its active participation at COP29. BUSA ensured that the interests of domestic business were represented in key global forums. These efforts showcased the seriousness with which South African companies approach climate ambition and positioned BUSA as a credible voice in shaping international climate discourse.



Conclusion

2024 was a defining year for BUSA in its pursuit of a progressive, integrated, and forward-looking energy and environmental policy agenda. The breadth and depth of work undertaken—encompassing market reform, infrastructure access, climate legislation, just transition planning, and international diplomacy—reinforced BUSA's role as a trusted and credible partner in shaping the regulatory and investment landscape for a resilient South African economy. At the core of this work lies a steadfast belief that sustainable development and economic competitiveness are not mutually exclusive but rather mutually reinforcing. As South Africa accelerates its transition towards a lower-emissions, inclusive, and just economy, BUSA will continue to stand at the forefront, driving collaboration, grounding proposals in evidence, and amplifying the collective business voice in pursuit of a fairer, greener, and more prosperous future. The year ahead presents fresh challenges but also significant opportunities to deepen alignment between business, government, labour, and civil society.

BUSA remains resolute in its commitment to bold leadership, structured dialogue, and meaningful reform, ensuring that the private sector is not only a stakeholder but also a solution partner in shaping the country's sustainable development trajectory.

ECONOMIC POLICY REPORT

Lunga Maloyi, Economic Policy Director



The GNU publicly committed to comprehensive reforms aimed at fostering economic recovery, with a particular emphasis on addressing the fiscal deficit, stabilising public debt, and sluggish economic growth. These challenges have been exacerbated by persistent issues such as loadshedding and logistical bottlenecks. Despite these hurdles, there were notable bright spots, especially in the finance, agriculture, and trade sectors. South Africa's GDP recorded modest growth of 0.6% in 2024, with the finance industry emerging as a strong performer. The agriculture sector, after an initial decline, demonstrated a significant rebound in the fourth quarter, and the trade sector also made positive contributions to GDP growth.

However, the continued slow economic growth strains the country's fiscus, hindering the government's ability to provide essential services.

Submissions on Policy and Legislation

BUSA submitted comprehensive input on the following critical pieces of policy and legislation:

- The Draft Companies Amendment Bill 2023
- Draft National State-Owned Enterprise Bill
- Draft Business Licensing Policy
- The Public Procurement Bill 2023
- Policy Statement on Localisation for Jobs and Industrial Growth
- Trade Policy for RSA
- Draft Network Statement
- AFCFTA - Digital Trade Protocol Annexures
- Draft Block Exemption for Ports and Rail 2024
- SMME Cooperative Funding Policy

BUSA was also invited to present its views orally to the relevant portfolio committees responsible for processing some of these bills, ensuring direct engagement and advocacy.

NEDLAC Engagements

The BUSA economic team actively participated in several engagements at the National Economic Development and Labour Council (NEDLAC), a crucial platform for social dialogue:

- Trade and Industry Chamber (TIC) and Public Finance and Monetary Policy Chamber (PFMPC)
- Freight and Public Transport Work Stream
- Government Incentives Task Team
- Social Clause Task Team
- Employee Ownership Scheme Task Team
- Fourth Industrial Revolution (4IR) Task Team
- The Cost-of-Living Rapid Response Task Team (CLRRTT)
- SMME Task Team
- Submission and presentation on the Government Budget Planning Dialogue through NEDLAC

Beyond domestic platforms, BUSA also participated in international forums:

- Business at the OECD Tax Policy Committee
- BUSA is a member of the SADC Business Council, with several members participating in various council engagements.
- BUSA has two representatives on the South African BRICS Business Council, along with two members participating in the Trade and Investment working group of the South African chapter.



Tax Policy Working Group

We have established a dedicated Working Group on Tax Policy to enhance BUSA's efforts in this crucial area.



The purpose of the Working Group is to develop and formulate tax policies that support and enhance BUSA's overarching mandated economic policies. Its objective is to create broad-based mandates on policies related to tax issues and provide advice on tax-related policy submissions, covering both global and domestic tax matters.

Trade Matters



Trade remains a paramount focus for the BUSA Subcommittee on Trade, Transport, and Logistics (TTL), NEDLAC's Technical Sectoral Liaison Committee (Teselico), and the Trade and Industry Chamber (TIC). The WTO's 13th Ministerial Conference (MC13) took place in Abu Dhabi, United Arab Emirates (UAE), where ministers globally assessed and reviewed the functioning and performance of the multilateral trading system, taking corrective actions for the WTO's future work. In preparation for MC13, NEDLAC Teselico and the Minister of Trade, Industry, and Competition held multiple meetings to formulate South Africa's position.

Business advocated for several key priorities, including:

- Renewal of the WTO Moratorium on e-commerce

- Carbon Border Adjustment Mechanism (CBAM) review
- Fisheries Subsidies Agreement
- WTO Reform
- Agricultural and Food Security proclamations
- Trade-Related Intellectual Property Rights (TRIPS)

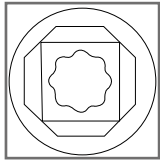
Following MC13, the BUSA Subcommittee on Trade, Transport, and Logistics engaged with the Department of Trade, Industry, and Competition (DTIC). The primary focus of this meeting was to discuss the outcomes of the conference and strategise in anticipation of MC14.

“ Key discussions centred on the DTIC's trade agenda, particularly regarding anticipated discussions around CBAM, the African Continental Free Trade Area (AfCFTA), developments in the Southern African Customs Union (SACU), and AGOA.

African Continental Free Trade Agreement (AfCFTA)

The AfCFTA has garnered significant interest from BUSA members and international governments, particularly regarding its impact on trade scope, tariff reductions, and non-tariff barriers such as customs processes and technical standards. A significant milestone was the launch of trade under the new preferences set out in the Guided Trade Initiative (GTI) by President Cyril Ramaphosa and South Africa's Minister of Trade, Industry, and Competition. Following this launch, South Africa officially initiated its first shipment of products to other countries under the AfCFTA agreement, becoming the first among the Southern African Customs Union (SACU) member states to implement the AfCFTA agreement in practice. **Business submitted a written position to the Department of Trade, Industry, and Competition (DTIC) on the AfCFTA - Digital Trade Protocol Annexes.** This submission outlined the business position on the Rules of Origin, digital content distribution, and cross-border data transfers. The AfCFTA Digital Trade Protocol holds immense potential to establish a unified digital market across Africa, promote economic development through cross-border e-commerce transactions, and contribute to the growth and integration of African states.





Transport and Logistics

Issues in transport and logistics have gained significant importance due to ongoing challenges in the sector, particularly concerning freight rail. Transnet's operational challenges have emerged as the most significant threat to the sector and, consequently, the country's economy. Various policy advocacy initiatives have been undertaken to support the government's structural reform agenda in freight logistics.

Key highlights from 2024 include:

- A Memorandum of Understanding (MoU) with the Department of Transport (DoT). to formalise the working relationship between the two institutions. This MoU will serve as the foundation for collaboration on the successful establishment of the Private Sector Participation (PSP) Unit and broader rail and road transport reforms.
- Monthly operational engagements with Transnet. were held to address ongoing challenges.
- Submission on the draft Network Statement.
- Submission on the draft Block Exemption for Ports and Rail.



Customs

Several measures have been taken to ensure smooth customs operations and minimise economic impact. These measures include streamlining customs processes, implementing the SARS-Private Sector Authorised Economic Operator Programme (AEO), adhering to the WTO's Trade Facilitation Agreement (TFA), enhancing supply chain visibility through the use of dashboards and big data analytics, and fostering collaboration between the private sector, government, and agencies. In 2024, notable achievements included participating in and driving the SARS-Private Sector Authorized Economic Operator Group (SARS-PS-AEO-G), as well as developing the terms of reference for both the Training Working Group and the Monitoring and Evaluation Working Group.

Small, Medium Enterprise (SME) Sub-Committee

The BUSA Small and Medium Enterprise (SME) Sub-committee has strengthened its relationships with key stakeholders, including the Department of Small Business Development (DSBD), the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), and the Red Tape Task Team in the Presidency. Of particular importance is the renewed commitment by the

“ Department of Small Business Development to meaningfully engage with stakeholders, including business, in the formulation of new policies and the design of interventions aimed at supporting small enterprises.

This includes consultation in establishing a Red Tape Reduction Advisory Council, a Regulatory Impediment Report, and the finalisation of the Red Tape Reduction Framework. Within BUSA, the small business framework is gaining traction through strategic partnerships and co-created programmes with GIZ. GIZ has invited BUSA into its international network, introducing BUSA to its German partner – Alliance for Integrity. This introduction resulted in technical support towards Business Integrity Training and BUSA's inclusion in the global Alliance for Integrity network, which currently spans Latin America, Europe, Asia, and North Africa. Since the inception of the programme in 2024, BUSA has successfully trained over 60 SME owners on anti-corruption and Business Integrity.

BUSINESS- GOVERNMENT PARTNERSHIP

Martin Kingston, Chair of the B4SA Steering Committee



In 2024 the Business Government Partnership made significant progress in helping improve Eskom and Transnet's operational performance as well as supporting Government's efforts to implement key market reforms aimed at increasing private sector participation.

Business for South Africa (B4SA) was established during the Covid-19 crisis as a platform for business to work collaboratively with the government on a limited number of priority interventions. In 2023, this unique business-government partnership refocused its efforts on the high impact and economically critical focal areas of energy security, transport and logistics, and crime and corruption.

“ The end of structural loadshedding was a signature achievement



During the third quarter of 2024, government and business launched Phase 2 of the Partnership, defined by our joint ambition of a virtuous cycle of achieving economic growth, job creation and building a more positive national narrative and improving confidence and sentiment. This is key to mobilizing local and foreign investment in the economy. The President presided over a joint event attended by many of the more than 160 CEO pledgors, as well as Ministers. We re-committed to a bold goal of 3% GDP growth, crucial to make a dent in our high employment rates, as well as specific interventions needed to deliver on targets across the 3 focal areas.



Funding

Business has mobilized significant financial resources and skilled professionals to support the partnership. Over R250 million has been raised to date across B4SA and the Resource Mobilisation Fund ("RMF"), with good progress being made on fundraising for an additional R150 million.

As a voluntary association with PBO status, the RMF administers funds raised from donors.



It independently sources, procures and donates resources to Government and provides monitoring and evaluation feedback reports to donors and other stakeholders. It was initially established as a mechanism for business to support the implementation of the President's Energy Action Plan by donating technical resources and expertise to the Presidency for use in NECOM. This has since expanded to include support for the NLCC and JICC. These resources are managed by and report directly to the Presidency.

The RMF does not undertake any policy advocacy, and a signed MOU governs the relationship between the RMF and the Presidency. All resource requests are made by the Presidency, and the RMF board (comprising 6 directors) takes all decisions, supported by a small project management unit, technical team and procurement panel.

We are greatly appreciative of the generosity demonstrated by the companies that have contributed to support of our collective national ambition to accelerate GDP growth and job creation.

>50 funders to date across B4SA and the RMF



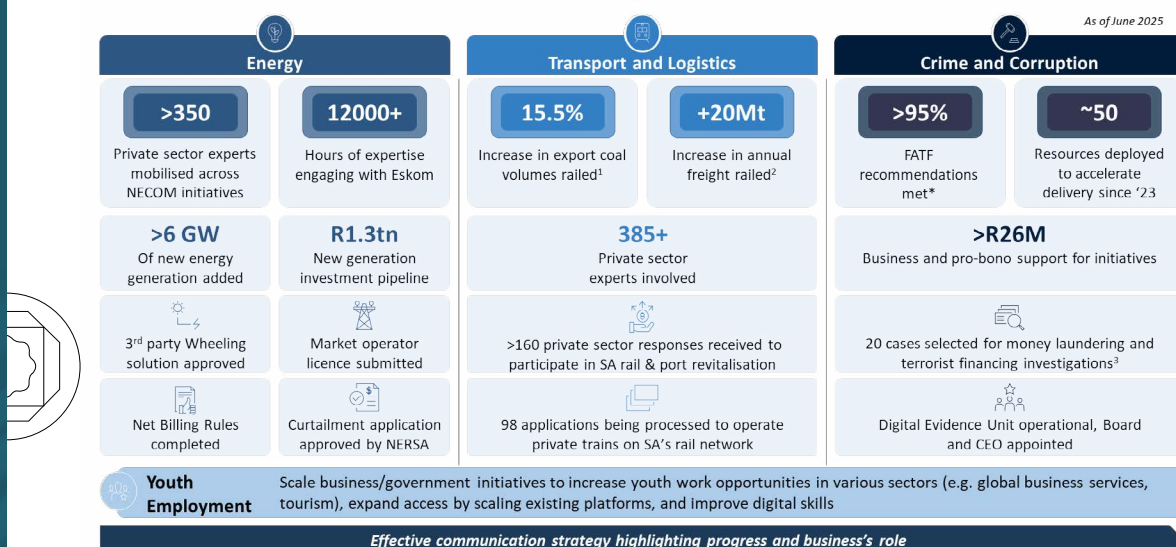
Focal Area Progress

The partnership model is grounded in defined principles, including strong governance and a clear delineation of roles. It is solely Government's role to set policy, whereas business's role in the partnership is to assist with the more rapid implementation of Government policy by marshalling its skills, resources and capacity to help execute successfully. Business leaders and experts participate solely on the basis of advancing the national interest; no individual company interests are permitted.

Each focal area has an agreed critical path outlining the key initiatives,

deliverables, and timelines necessary to deliver on their targets. The B4SA focal area streams report monthly to the B4SA Steering Committee, and collaborate with their government counterparties via the National Energy Crisis Committee (NECOM), the National Logistics Crisis Committee (NLCC) and the Joint Initiative against Crime and Corruption (JICC). This governance structure feeds into a bi-monthly Joint Strategic Oversight Committee (JSOC), chaired by the Director-General in the Presidency, ahead of the quarterly meetings with the President. After each presidential meeting, a briefing is held with BUSA members to review progress and outline key initiatives for the upcoming period.

Our partnership has made significant progress since it was launched in 2023

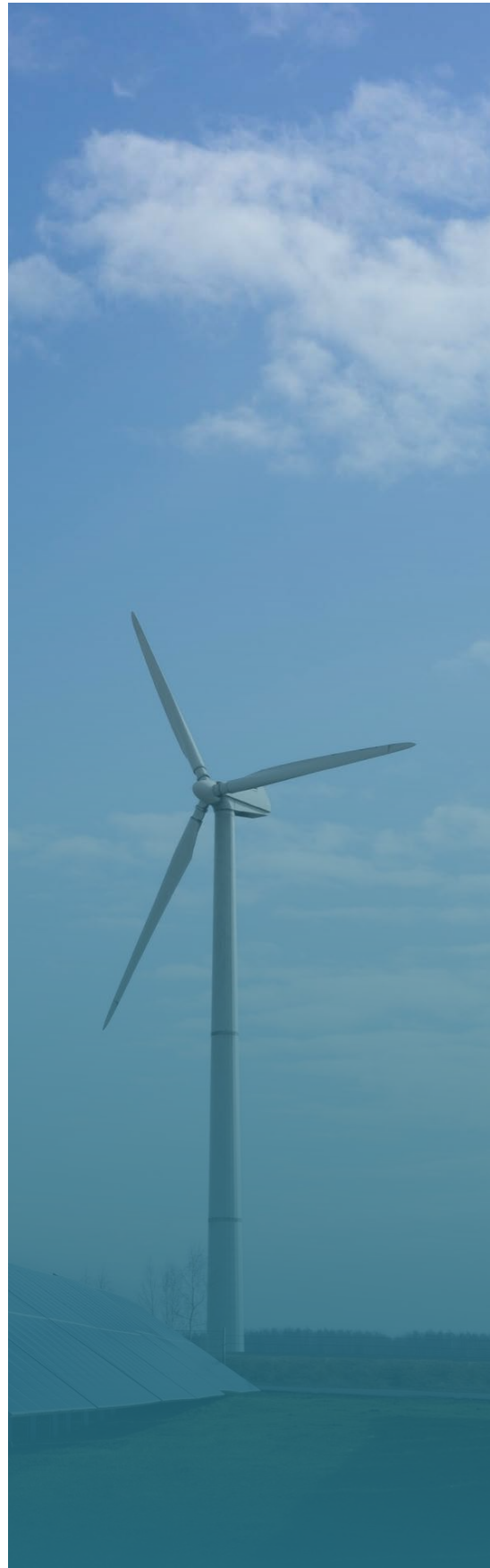


1. YoY increase for the period Apr-May 2025. 2. Annual freight railed: Sep 2023 – Mar 2025. 3. Per FATF requirements. *As per National Treasury, FATF action plan "substantially completed" as of June 2025

Energy Focal Area

As noted above, in 2024, significant progress was made in the energy sector. The Partnership's work in this area is focused on implementing the Energy Action Plan. The Energy Council of South Africa is the platform which co-ordinates B4SA's work in this focal area. It has mobilised extensive business support to assist and work in collaboration with NECOM. Since 2023, over 350 private sector experts have been deployed, and over 12,000 hours of expertise has been spent supporting Eskom. Specifically, loadshedding reduced from 289 days in 2023 to 83 days in 2024, with 300 consecutive days without loadshedding achieved into 2025. A major milestone, strongly supported by B4SA, was the advancement of the electricity reform agenda. This culminated with the promulgation of the Electricity Regulation Amendment Act in early 2025, which paves the way for a liberalised energy market and the unbundling of the Eskom's centralised utility model. The reform process is now being led by the newly established Department of Electricity and Energy.

Key outcomes identified in phase 2 of the Partnership include maintaining zero loadshedding, resolving grid constraints to support a reliable and robust renewables industry that can consistently deliver the new generation capacity required (targeting 4GW of new generation capacity p.a.). Supporting the reform programme is key, with the launch of the wholesale energy market targeted for April 2026.



Transport & Logistics ("T&L")

The B4SA T&L focal area is working closely with the NLCC to drive operational improvements at Transnet (rail and ports) and is providing expertise and capacity to the Department of Transport (DoT), governed by a MOU, to assist with structural reforms outlined in the Freight Logistics Roadmap (FLR).

To date, rail volumes have increased by 27% (from a projected low of 142 million tons per annum (Mtpa) in 2023/24 to a projected ~180Mtpa for 2025/26. At port terminals, there has been notable progress, including shorter vessel waiting times and an overall stabilisation and improvement on the volume of cargo handled at all terminals. The teams are working hard to restore SA's reputation as a regional port hub, and positive momentum is evident.

On road transport, initiatives have focused on the N4 to Maputo, improving safety and efficiency along this route, through the Lebombo Border to terminals in Maputo. This has resulted in an average 77% reduction in queue lengths and a 54% reduction in border crossing times. Structural reforms under the FLR are also advancing. The DoT is expected to release the first approved third-party rail access applications during this year, and private sector participation on rail freight lines continues to move forwards, with Requests for Information (RFI's) issued

during early 2025, ahead of the Requests for Proposals (RFP's) to follow during the third quarter of 2025.

Crime & Corruption ("C&C")

The C&C stream works via the JICC to deliver on a few focused interventions. Business Against Crime SA (BACSA) is the platform that coordinates B4SA's contributions in this focal area. Business is providing specialist private sector forensic support to support government agencies in the investigation and prosecution of complex financial crimes and corruption cases, aimed at assisting with efforts to remove South Africa from the Financial Action Task Force (ATF) grey list and the prosecution of state capture cases. As at June 2025, the FATF recommendations have been substantially met, creating cautious optimism that SA will be removed from the grey list this year.

A Digital Forensics Unit has been established – on an arms-length basis and operating via a NPO, overseen by an independent board - which provides the NPA with the necessary tools to assist with state capture cases.

The JICC is also focused on assisting with addressing infrastructure crime in energy and transport and logistics, working closely with NECOM and the NLCC. Together with industry bodies, additional sectors such as mining are being added to this list.

Youth Unemployment (“YE”)

The YE focal area was incorporated into the Partnership towards the end of 2024, to augment existing private public initiatives targeted at supporting unemployed youth to find work opportunities. While a meaningful reduction in the unemployment rate will require GDP growth over 3%,

this focal area has identified a number of key initiatives including addressing digital skills, supporting the implementation of the Electronic Travel Authorisation (ETA) visa to grow tourism (an important sector for youth employment), and scaling bank lending to SMEs through amendments to NCA regulations.

Looking Ahead

The partnership construct continues to evolve in response to both progress achieved and emerging requirements. Over the course of 2025, B4SA will transition from its current phase of deep operational involvement to a more strategic posture—guided by how business can most effectively support the national agenda. To enable a smooth and efficient shift into Phase 3 of the partnership, B4SA will work closely with the Presidency and the relevant government departments.

An additional priority for H2 2025 will be to increase awareness of the Partnership and its achievements to date in an effort to improve the confidence of domestic and international investors in “SA Inc”.

“

The unique construct of this public-private collaboration has the potential to help shift the narrative by demonstrating that working together on common objectives can achieve tangible results



REMUNERATION COMMITTEE REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

**Busisiwe Mavuso, Chairperson of the
Remuneration Committee**



Introduction

The Remuneration Committee ("the Committee") is pleased to present its report for the financial year ended 31 December 2024. This report outlines the Committee's composition, mandate, key activities undertaken during the year, and decisions made regarding the remuneration governance of Business Unity South Africa NPC ("BUSA").

“Composition of the Remuneration Committee

In accordance with its approved Terms of Reference, the Committee is composed of independent non-executive directors appointed by the BUSA Board. As of 31 December 2024, the Committee comprised the following members:

Remuneration Committee



All members bring significant experience and expertise, ensuring effective oversight of BUSA's remuneration practices. The Committee met the required minimum of meeting two times during the year under review.

Mandate and Responsibilities

The Committee operates according to Board-approved Terms of Reference, which are reviewed annually. Its core responsibility is to ensure that BUSA's remuneration policies and practices promote fairness, transparency, and competitiveness, aligned with its strategic objectives. Key responsibilities include:

- Approving the remuneration and total compensation packages for executive management.
- Reviewing and recommending annual salary increases and performance-based bonus structures.
- Aligning the remuneration framework with BUSA's strategy and performance goals.
- Ensuring transparency and independence in executive remuneration decisions.
- Overseeing human capital planning to support strategic delivery.

Nominations to Task Teams, External Structures, and Bodies

As a key business voice on national, regional, and international platforms,

BUSA participates in numerous external structures (e.g., statutory bodies, NEDLAC, IOE, SADC BC). The Committee ensures that nominations to these bodies are guided by the Memorandum of Incorporation (MOI) and approved nomination criteria. Nomination considerations include:

- Technical knowledge and subject matter expertise.
- Seniority and active engagement within BUSA.
- Commitment to transformation and diversity.
- Broad representation across member organisations.

During 2024, the Committee played a central role in guiding nominations to various bodies.

Remuneration Policy

BUSA's remuneration policy aims to promote fairness, transparency, and internal equity. The framework is applied consistently across the organisation and considers:

- Skills, qualifications, experience, and responsibilities.
- Fair pay differentials between executive and non-executive employees.
- Benchmarking against comparable roles within the NPO and advocacy sectors.
- Financial sustainability and affordability.

In 2024, annual salary benchmarking was initiated but will be completed in 2025 for finalisation and Committee approval. Salary increases, guided by CPI trends, role changes, and individual performance, were implemented based on recommendations from the CEO and subsequent approval by the Committee.

Remuneration Philosophy

BUSA currently employs the Paterson Job Grading System to ensure consistency and fairness in job evaluation and remuneration across the organisation. From 2025, BUSA will transition to the T.A.S.K. Grading System to enhance grading accuracy and internal alignment. Performance Management

In 2024, BUSA fully implemented a performance management framework developed in collaboration with Deloitte. This framework supports integrated performance planning, monitoring, and review, linked to defined Key Performance Areas (KPA's) that align with organisational strategy. Objectives of the performance management framework include:



- Enhanced organisational and individual performance.
- Clear alignment of employee objectives with strategic goals.
- Transparent and measurable performance-based rewards.
- Career development and staff motivation.
- Ongoing feedback and

communication.

This framework has supported the development of a high-performance culture throughout the organisation during 2024.

Human Resources and Employee Relations

BUSA undertook a review of its Human Resources policy framework during 2024. With support from Bowmans, several new policies were developed, including:

- Harassment Policy
- Internship Policy

These policies were endorsed by the Committee, recommended to the Board for approval, and will take effect in the 2025 financial year. Key personnel changes during the reporting period included:

- The resignation of Mr. Andile Kuzwayo, Director: Social Policy.
- The appointment of Ms. Saneliswe Jantjies as Acting Director: Social Policy.
- The conclusion of Mr. Cas Coovadia's tenure as CEO on 31 December 2024.
- The appointment of Mr. Khulekani Mathe as CEO, effective 1 January 2025.

The Committee extends its gratitude to Mr. Coovadia for his leadership and contributions to BUSA.

Conclusion

The Committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate and Terms of Reference during the 2024 financial year. It remains committed to ensuring responsible remuneration practices that support BUSA's long-term strategic objectives and values.

AUDIT AND RISK COMMITTEE REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

**Bongi Kunene, Chairperson of the Audit
and Risk Committee**



Report of the Audit and Risk Committee



As Chairperson of the Audit and Risk Committee (ARC), I am pleased to present this report outlining the Committee's activities and responsibilities for the financial year ended 31 December 2024. The ARC plays a vital role in supporting

the Board's oversight of financial reporting, internal control, compliance, and external audit processes to ensure sound governance across the organisation.

Composition and Meetings

The Committee comprises seasoned professionals with diverse experience in finance, risk management, and governance. As of year-end, the ARC included the following members:



In 2024, the Committee held five meetings, including special sessions, with full participation from all members, allowing for thorough oversight and engagement with key financial matters.

Responsibilities and Key Activities

During the year under review, the Committee diligently fulfilled its responsibilities, which include oversight of financial reporting, risk management, internal controls, and engagement with external auditors. Notable activities for 2024 included:

- Reviewing and recommending the Annual Financial Statements for Board approval, ensuring they were accurate, complete, and compliant with IFRS for SMEs and the Companies Act.
- Assessing the effectiveness of internal controls and management's accounting practices and disclosures.
- Reviewing quarterly financial reports, including the statement of financial position, income and expenditure, cash flow forecasts, and budget performance. Special attention was given to the collection of membership fees, which remain a critical component of BUSA's revenue.
- Acknowledging that while the organisation operated within acceptable financial parameters, the current funding model requires strategic review to ensure long-term sustainability.

- Overseeing the annual external audit process, including the planning, execution, and reporting phases, and reviewing responses to audit findings.
- Confirming the independence and effectiveness of the external auditors, Motlanalo Chartered Accountants and Auditors, who issued an unqualified audit opinion for the 2024 financial year.

Internal Controls and Risk Oversight

The Committee recognises management's continued efforts to enhance internal controls and compliance. Based on our evaluation, the Committee is satisfied that BUSA maintained an effective and reliable control environment throughout the reporting period. Where deficiencies were identified, management acted promptly to implement appropriate corrective measures.

External Auditors

Motlanalo Chartered Accountants and Auditors conducted the independent audit for the year ended 31 December 2024. The Committee concurs with their unqualified audit opinion, which confirms that the financial statements fairly reflect the financial position and results of the organisation. The ARC values the auditors' independence, rigour, and the professional manner in which they conduct their work. The collaboration between the auditors and BUSA's management was constructive and transparent.

Conclusion

On behalf of the Audit and Risk Committee, I extend my sincere appreciation to all Committee members for their expertise and commitment throughout the year. I also thank BUSA's executive management for their cooperation and dedication to maintaining high standards of financial governance. The Committee remains confident that the systems in place provide a strong foundation for financial accountability, and we look forward to continued progress in ensuring BUSA's financial integrity and long-term sustainability.

Annual Financial Statements for the year ended 31 December 2024

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AFS**

Contact BUSAS

For any enquiries please call or fill out the contact form below, and one of our representatives will get back to you.

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