TAX TRANSPARENCY REPORT

2024

Geared for growth

Contents

Our reporting suite 2024

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Getting around

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www.omnia.co.za
omniaIR@omnia.co.za

Our purpose and values

Our purpose

Innovating to enhance life, together creating a greener future

Our purpose has four supporting pillars aimed at:

Enhancing lives | Sustaining livelihoods
Optimising the use of natural resources | Caring for our planet

By sustaining livelihoods, providing growth opportunities and using technology to ensure efficient resource use, we are actively shaping a brighter and more promising future for all our stakeholders.

Our values

Be safe | **Respect and grow** | **Achieve excellence together** | **Do the right thing**

Together, our purpose and values underpin our strategy and all that we do – our actions, decision making and how we conduct our business.

About this report

We recognise that there is an increasing interest in the tax affairs of multinational businesses. In keeping with our purpose and values, we commit to reporting transparently to our stakeholders.

This is our first annual Tax Transparency Report that seeks to provide balanced, clear and relevant information that demonstrates Omnia's prudent approach to the management and oversight of tax matters, underpinned by our intention to adequately protect the interests of all stakeholders.

Report scope and boundary

This report provides insight into our tax principles, our approach to tax, tax risk management and our tax strategy to support our sustainable growth.

The report provides both financial and non-financial information for the Omnia Group, and our three business segments (Agriculture, Mining and Chemicals).

Information in the report on the types of taxes we pay in various jurisdictions is in respect of Omnia Group's year ended 31 March 2024 (FY24), with the exception of the financial data contained in our Country-by-Country report, which is for the year ended 31 March 2023 (FY23) as permitted in terms of GRI 207-4: Tax 2019. We have no reason to believe that the basis for compiling the data for FY24 will be materially different.

Reporting frameworks

This report supports and augments the disclosure in our consolidated Annual Financial Statements (AFS), our Integrated Annual Report (IAR) and our Environmental Social and Governance (ESG) Report.

The IAR covers our business model, strategy, governance, material risks and opportunities, performance review and outlook, and is prepared in line with the Integrated Reporting Framework. Our ESG Report provides a detailed overview of our sustainability performance.

Our Tax Transparency Report has been prepared in line with:

- The Companies Act, No. 71 of 2008, as amended (Companies Act)
- The JSE Limited (JSE) Listings Requirements, including the King IV Report on Corporate Governance
- IFRS®[1] Accounting Standards (IFRS)
- The Global Reporting Initiative (GRI) Standard on Tax (GRI 207: Tax 2019)
- The JSE Sustainability and Climate Change Disclosure Guidance

In FY24, Omnia conducted a double materiality assessment, considering both impact and financial materiality. See our ESG Report for further details. A number of material issues relate directly to our approach to tax, including:

- Upholding business ethics and integrity; and promoting disclosure and transparency
- Promoting sound risk management (including critical incident management) and leading governance practices
- Ensuring business model resilience and agility in response to changing market circumstances

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Board statement of responsibility

Omnia's board acknowledges its responsibility for the integrity of this Tax Transparency Report, and its compliance with the mentioned frameworks.

Our board has reviewed this report and considers that it accurately and comprehensively details:

- Our tax principles
- Our approach to tax and how this relates to sustainable business growth
- Our approach to tax governance and risk management
- How we engage with stakeholders in respect of tax
- Financial disclosure in the regions in which we operate

This report was approved by the board on 19 July 2024.

Highlights in FY24

Total tax contribution by tax type[1]

Corporate income tax (41.9%)
R631 million
(FY23: R628 million)

Employment taxes (35.6%)
R536 million
(FY23: R461 million)

Customs duties (12.9%)
R195 million
(FY23: R111 million)

VAT and GST (7.7%)
R116 million
(FY23: R328 million)

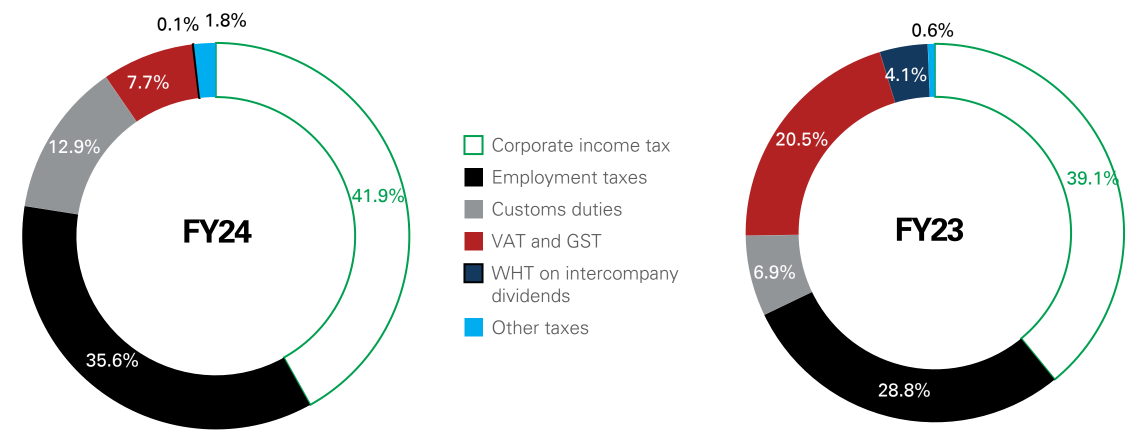
WHT on intercompany dividends (0.1%)
R2 million
(FY23: R65 million)

Other taxes[2] (1.8%)
R26 million
(FY23: R9 million)

Total tax contribution
R1 506 million
(FY23: R1 602 million)

[1] Total tax contribution comprises actual taxes borne by the Group as well as those taxes collected on behalf of revenue authorities at 31 March 2024.
[2] Other taxes include carbon tax, other withholding taxes (excluding dividends), property taxes, production taxes and stamp duty.
[3] Income tax expense comprises normal and deferred tax and withholding tax on intercompany dividends per statement of comprehensive income.

Total tax contribution by tax type



Financial indicators

Revenue
R22 219 million
(FY23: R26 572 million)

Profit before tax
R1 702 million
(FY23: R1 818 million)

Income tax expense[3]
R539 million
(FY23: R666 million)

Profit for the year
R1 163 million
(FY23: R1 152 million)

Dividends distributed to shareholders
R1 156 million
(FY23: R629 million)

Total tax contribution by region

(comprises the taxes we paid and collected on our global operations)

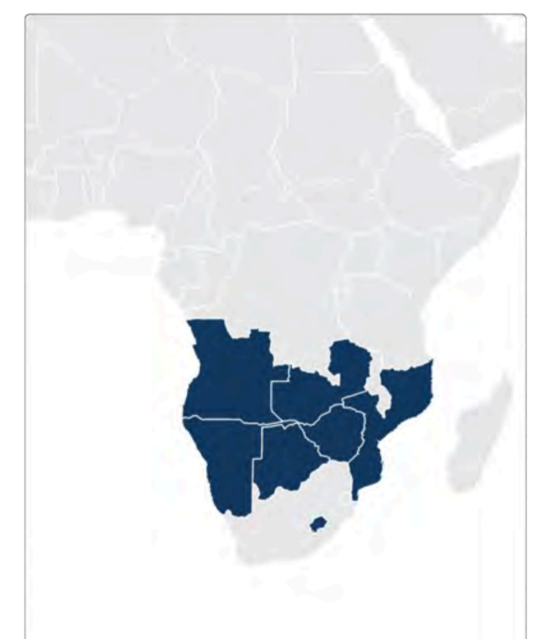
Asia-Pacific and Americas

R78 million (5.2%)
(FY23: R52 million)

Central, East and West Africa

R149 million (9.9%)
(FY23: R168 million)

Southern Africa (excluding South Africa)



R454 million (30.1%)
(FY23: R411 million)

South Africa

R825 million (54.8%)
(FY23: R971 million)

Message from our Finance director

As Omnia enters its eighth decade, we reflect on the longevity of our business, our objectives for the future and the value we place on our relationships with our stakeholders. We acknowledge the importance of continuously strengthening our relationships with our stakeholders, and the critical role that this plays in ensuring our ongoing success. Transparency and acting responsibly are fundamental cornerstones of this philosophy as we live our purpose and values, and drive the execution of our strategy.

We therefore present our inaugural Tax Transparency Report, marking a significant milestone in Omnia's governance journey. This report outlines Omnia's approach to the management and oversight of tax matters, underpinned by our intention to adequately protect the interests of all stakeholders, together with our contributions to regional social, environmental and economic development.

We recognise that taxes are central to countries' fiscal policies and macroeconomic stability. Tax is a key mechanism for governments to fund infrastructure, education, healthcare and other public services, thereby playing a role in reducing inequality. Well-functioning public services and amenities yield benefits for citizens, our customers and other stakeholders.

With operations spanning 26 countries, Omnia is deeply committed to making a meaningful and equitable contribution through the taxes we pay globally. In fulfilling this commitment and thereby enhancing the sustainability and growth prospects of our business and global infrastructure development, we acknowledge our obligation and responsibility to comply with tax legislation in the jurisdictions in which we operate.

Our goal is to uphold the highest governance standards across our businesses, to act with responsible care and be transparent about our tax contributions.

Our tax strategy is integrated with the wider Group strategy. The Group tax function collaborates as a business partner to the Group by assessing the tax implications of transactions to ensure that our business strategies are executed efficiently and in accordance with the relevant tax laws.

While the Group has operations in a select number of low-tax territories, these operations were established for sound strategic and commercial reasons, and not for the Group to obtain an undue tax benefit. We do not enter into tax planning transactions, structures or arrangements, which may be perceived to be aggressive, harmful or that serve no commercial purpose other than the avoidance of tax.

We are mindful that more government authorities are implementing measures to alleviate strained public finances amid a challenging global macroeconomic environment. One of these measures is the greater scrutiny of taxpayers' affairs by revenue authorities. In recognising and adapting to the evolving global tax landscape, the Group is actively developing new initiatives to effectively manage and mitigate associated risks. Integral to this, is the continuous enhancement of the Group's tax governance structure, policies and controls.

While the Group is dedicated to the prompt resolution of tax disputes, we are steadfast in following the prevailing tax laws across the world, and we believe that resolutions to tax matters must be pursued in a manner that maintains fairness to our Group and its stakeholders.

Omnia's board of directors approved our tax strategy, the cornerstone of our tax governance framework, in 2022. This strategy embodies our purpose – *Innovating to enhance life, together creating a greener future.*

Our approach to tax aligns with Omnia's business model and enterprise-wide governance, risk and assurance frameworks.

We believe that long-term value can only be delivered to our stakeholders by conducting our affairs with integrity and transparency. This commitment is firmly embedded in our five key tax principles, which fundamentally shape how tax is managed across the Group (see page 5).

We trust that this report will provide our stakeholders with meaningful insights into our contribution to sustainable development and how this guides our approach to tax, and look forward to sharing Omnia's journey towards enhanced tax transparency.

Stephan Serfontein

Finance director

Date 19 July 2024

"We acknowledge the importance of continuously strengthening our relationships with our stakeholders, and the critical role that this plays in ensuring our ongoing success. Transparency and acting responsibly are fundamental cornerstones of this philosophy as we live our purpose and values, and drive the execution of our strategy."

Stephan Serfontein
Finance director

Ammonia railway tanker, Sasolburg

Our footprint

Omnia Holdings Limited (Omnia), a leading, diversified group of companies, manufactures and supplies chemicals and specialist services and solutions to the agriculture, mining and chemical industries.

Founded more than 70 years ago, Omnia is headquartered in Johannesburg, South Africa. Today, we operate in 26 countries and have an extensive distribution network that spans over 40 countries. Our main production facilities are in Sasolburg, South Africa and in Morwell, Australia.

Omnia operates principally in the primary sectors of agriculture, mining and chemicals, offering products and services that are essential inputs in almost every aspect of modern life and that support economic growth.

We focus on securing a healthy and adequate food supply for a growing population globally, the responsible use of commodities, minimising our environmental impact and ensuring safe operations for our employees and customers.

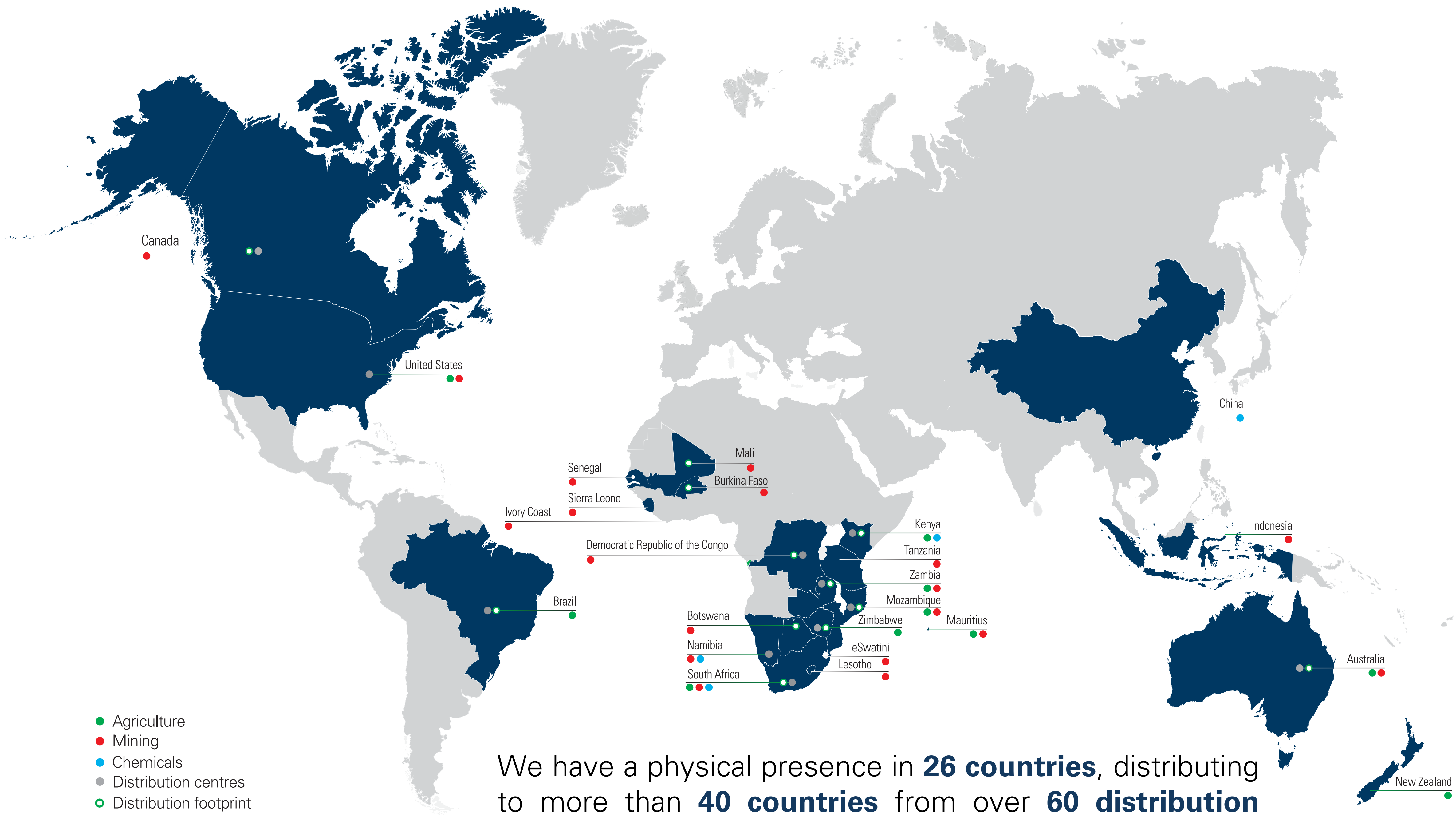
Our culture of innovation, supported by strong intellectual capital and enduring industry relationships, drives safer and more efficient solutions, enabling us to identify and implement more effective processing and manufacturing solutions to meet evolving market needs.

The commitment to enhancing life and establishing a greener future that underpins our purpose provides us with a broad range of future development options that promote the responsible use of chemicals through advancing technologies.

Omnia is listed on the JSE (OMN.JO) and A2X securities exchanges and, at 31 March 2024, had a market capitalisation of R9.7 billion (31 March 2023: R9.5 billion).

Broad-based black economic empowerment

In South Africa, Omnia is rated as level 2 in terms of broad-based black economic empowerment (B-BBEE).



We have a physical presence in **26 countries**, distributing to more than **40 countries** from over **60 distribution centres** and employing more than **3 750 people**.

About Omnia

Our strategy

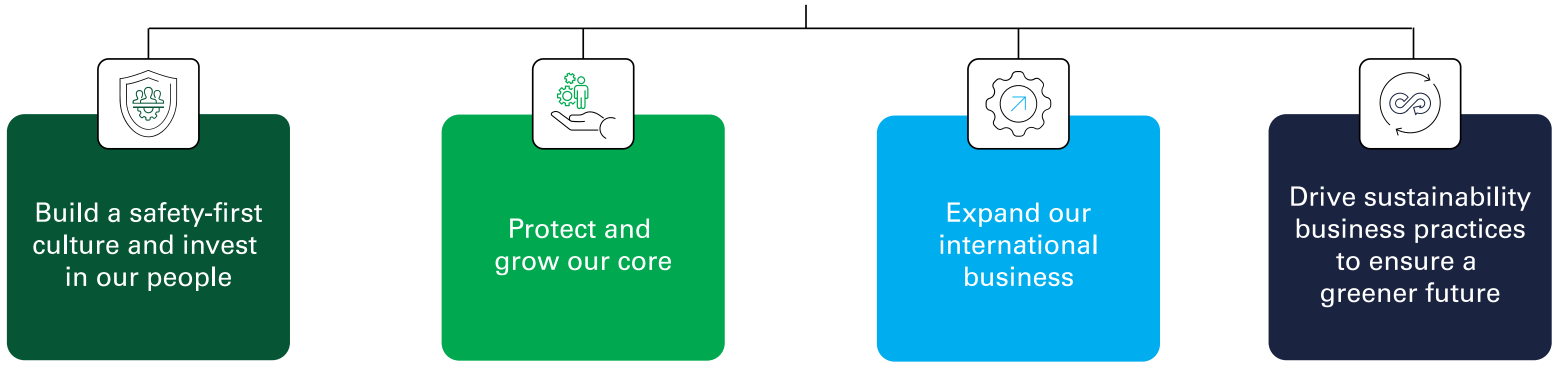
Our strategy supports our vision to become an international and diversified, sustainable group of businesses that is recognised for leading the change from chemicals to green chemicals, biotech and biomolecular solutions.

We aim to do this by developing new and differentiated products, making our production processes even more effective, prioritising customer-focused solutions, and reinforcing and improving our relationships with all our stakeholders.

Our strategy is flexible enough to respond to short-term risks and opportunities, and robust enough to leverage long-term social, environmental and economic developments as well as to promote value creation.

Our four core strategic priorities are illustrated in the diagram below.

Strategic priorities



Build a safety-first culture and invest in our people

Driving a safety-first culture as we strive for zero harm helps build and maintain trust with all stakeholders.

Ensuring the safety of our people as well as their ongoing training and development.

Investing in our people enhances organisational performance, increases our competitiveness and promotes the long-term success of our business.

Protect and grow our core

Unlock value by optimising and securing our supply chain and manufacturing flexibility and reliability.

This entails enhancing efficiencies and increasing productivity. Allied to this is strengthened leadership and specialist skills, as well as innovation in our product offering.

Our focus is simultaneously on:
- Ensuring plant reliability
- Ongoing product and service innovation and R&D
- Cost-saving initiatives
- Growing third-party ammonia derivative sales
- Growing Agriculture and Mining volumes
- Stringent management of working capital
- Maintaining a robust cash position

Expand our international business

Focus on growing our business by expanding its reach and profitability.

We are focused on protecting and growing our SADC base while simultaneously identifying and delivering on high-growth opportunities internationally.

We are pursuing both inorganic and organic opportunities in the Mining and Agriculture segments.

For more on *Our strategy* see *IAR* page 18

Drive sustainable business practices to ensure a greener future

At Omnia, we are driven by a deep-rooted commitment to sustainability. We want to ensure that our endeavours today sow the seeds for a thriving tomorrow, for our team members, customers, the communities we serve, and for the environment.

Omnia's businesses and operations have a significant impact on food, water and mineral security. We sustain livelihoods by creating employment not only in our business, but also in the sectors we serve. We leverage technology so that we can use natural resources efficiently in our own operations and develop products and services that enable our customers to do the same.

Our sustainability strategy and the related ESG framework underpins and supports our overarching Group strategy and purpose. Omnia's refreshed sustainability strategy is enabled and monitored through the following ESG framework relevant to our business:
- Environmental stewardship – Omnia as the steward of the planet
- Social responsibility – Omnia caring for people
- Governance – Omnia acting responsibly

For each of these pillars, we have defined corresponding material focus areas. These pillars enable us to track our performance against the targets we have set for ourselves, all of which are closely aligned with the Sustainable Development Goals (SDGs) that directly relate to our business operations.

For more on our sustainability strategy, see our *ESG Report* on page 12

Sustainable Developmental Goals

We understand that to enhance life for people and the environment, we need cohesive efforts on a local and global scale. We support and are committed to contributing to the 17 United Nations SDGs, as well as local development agendas where we operate.

We have incorporated the SDGs into our sustainability and stakeholder engagement frameworks and have prioritised a number of goals based on our ability to make a positive impact.

Through our sustainability strategy process, we have prioritised the following SDGs that we are in direct alignment with, or have a direct influence over.

We recognise that tax is intrinsically linked to the execution of our business strategy and sustainable business practices. Our tax strategy **to achieve operational excellence, leverage synergies and drive responsible tax behaviour**, aligns with the governance and compliance pillar of our sustainability strategy.

By practising sound governance and risk management in our approach to tax, combined with our tax contributions in our host countries, we seek to positively influence domestic resource mobilisation as intended under SDG 17.1.

BME Dryden plant, Delmas

Our approach to tax

In line with our sustainability vision, we subscribe to the principles of openness, integrity, transparency and accountability and the promotion of the concept of the "triple bottom line". These principles embrace economic, social and environmental relationships through an integrated, sustainable approach, that encompasses all stakeholders – shareholders, customers, employees, suppliers, governments and the communities in which Omnia operates.

We take the same approach to tax and continue to integrate sound tax governance into our business practices and our corporate cultures.

Tax principles

Our approach to tax is informed by our purpose, vision, strategy and values and is guided by the following five key tax principles:

Sound tax governance

In the face of an increasingly complex and evolving global tax landscape, we are committed to practising sound tax governance and the ongoing enhancement of our tax risk management processes to manage tax-related risks within acceptable tolerances.

Tax risk management page 8

Ethical tax stewardship and compliance

In recognising our responsibility towards the societies and communities in which we operate, we are committed to paying taxes where they are due and in full compliance with all applicable tax laws and regulations. We do not use low tax jurisdictions for purposes of diverting profits from jurisdictions.

Tax compliance page 6

Low tax jurisdictions page 6

Transfer pricing page 6

Transparency and integrity

We are committed to conducting and reporting on our tax affairs with honesty, integrity, fairness and transparency. We maintain transparent and respectful relationships with stakeholders and revenue authorities, and engage in proactive discussions on tax controversy matters with a view of bringing such matters to conclusion as expeditiously and equitably as possible.

Stakeholder engagement page 9

Zero tolerance approach

We adopt a zero-tolerance approach to fraud and corruption in managing our tax affairs. We refrain from engaging with tax authorities outside of established legal frameworks, even if it may prolong the dispute resolution process.

Fraud and corruption page 6

Sustainable growth

We recognise that taking business decisions which entail calculated risks and managing those within sensible tolerances is fundamental to delivering long-term value and meeting commitments to all our stakeholders. We do not engage in transactions that lack commercial and economic substance.

Tax incentives page 6

Responsible tax planning page 6

Our approach to tax continued

Tax strategy

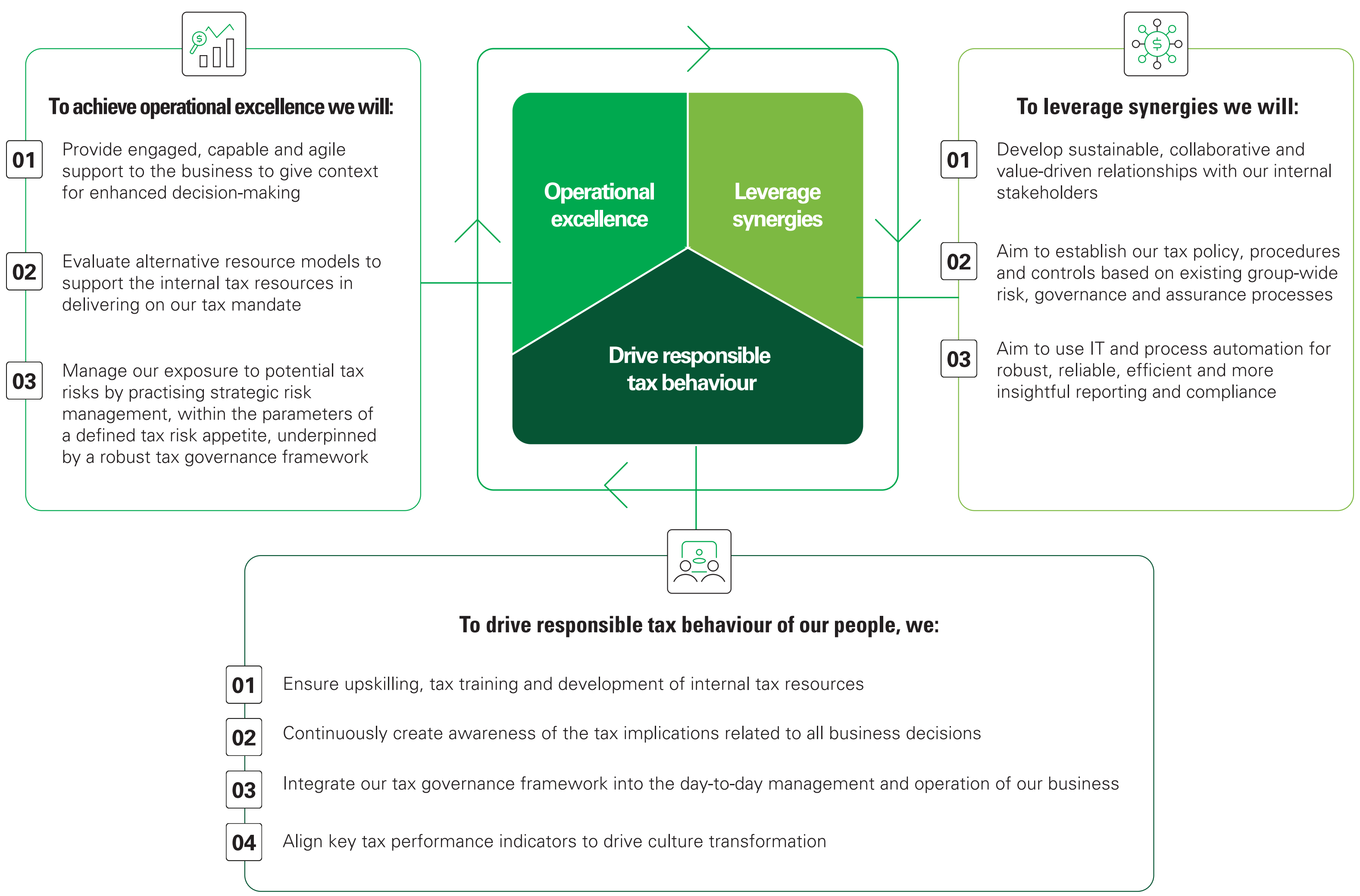
Omnia's tax strategy is informed by our five key tax principles and hinges on three strategic tax objectives:
- To achieve operational excellence
- To leverage synergies
- To drive responsible tax behaviour

Overall responsibility for approval of the tax strategy resides with the board.

Omnia's Finance director, supported by the Head of tax, is responsible for defining, driving and reviewing our tax strategy, with independent oversight from Omnia's audit and risk committee. The tax strategy is reviewed by the Head of tax and Finance director, when appropriate, taking into consideration:
- Material changes to the strategy, business, or organisational structure of the Group
- Significant changes to the tax law or the regulatory environment within which the Group operates

The day-to-day responsibility for the execution of the tax strategy is delegated to the senior management of divisions, functions and operating companies, supported by the Group tax function, which has general oversight of all tax matters.

Strategic tax objectives



Ethical stewardship and compliance

Tax compliance

Omnia is committed to timeously and accurately complying with the annual tax-filing obligations (including contemporaneous Transfer Pricing documentation and Country-by-Country reporting) of the countries in which the Group operates. This commitment also extends to the timely payment of the resulting taxes, as well as disclosing relevant facts and circumstances to tax authorities as required. Double taxation is eliminated or reduced where reliance can be placed on double taxation treaties.

Low-tax jurisdictions

Omnia does not use low-tax jurisdictions as a means of reducing the Group's tax burden. Legacy operations in low-tax jurisdictions were established for sound economic and strategic reasons and have the aim of developing the activities included in the Group's corporate purpose.

Transfer pricing

Intercompany transactions within the Group are undertaken in accordance with the "arm's-length principle", derived from the established and widely accepted Organisation for Economic Co-operation and Development (OECD) Transfer Pricing Guidelines. The pricing of intercompany transactions is representative of the commercial and economic substance of these transactions.

Zero-tolerance approach

Avoiding fraud and corruption

Our zero-tolerance approach towards fraud and corruption is firmly embedded in our culture and the manner in which we manage our tax affairs. The Group upholds the highest standards of integrity and does not condone or engage in bribery under any circumstances. Furthermore, Omnia maintains the highest legal and ethical standards in all of our interactions with revenue authorities. We refrain from engaging with tax authorities outside of established legal frameworks, even if it may prolong the dispute resolution process.

A dedicated group compliance and forensics capability supports the business in the prevention, detection and investigation of misconduct, fraud, theft and corruption.

Pursuing sustainable growth

Responsible tax planning

Commercial decisions are taken by Omnia to create long-term value and meet the commitments to our stakeholders. These decisions are informed by the Group's business strategy. They are built on sound economic substance and commercial rationale and consider the relevant tax laws and regulations in the countries in which we operate to support the business in operating as a responsible corporate citizen.

We do not engage in activities that result in artificial constructs that lack economic reality, and which may be reasonably assumed to offer undue tax advantages.

Tax incentives

To the extent possible, the Group partakes in tax incentives or special allowances promoted by government authorities. During FY24, tax allowances (pertaining to learnerships and renewable energy assets) in the amount of R29 million (FY23: R20 million relating to learnerships and energy efficiency tax incentive) were claimed in South Africa.

MMU trucks, Dryden

Tax governance

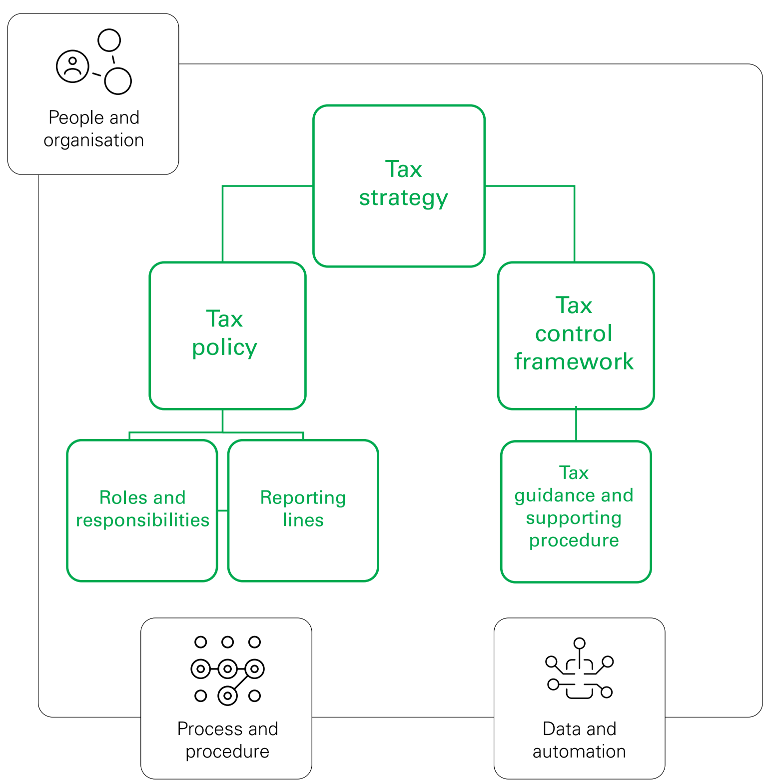
Tax governance framework

Our tax governance framework facilitates the prudent management and oversight of tax within Omnia to adequately protect the interests of all stakeholders and support sustainable growth.

The elements of the tax governance framework (as depicted in the diagram below) that are considered most instrumental in the overall management of the Group's tax affairs include:

- Tax strategy: defines our strategic approach to tax and hinges on our tax principles and wider business objectives
- Tax policy: details how the Group intends to operationalise its strategic tax objectives and defines the key roles, responsibilities and reporting lines in relation to tax
- Tax risk framework: provides a set of processes and internal control procedures ensuring that the Group's tax risks are known and controlled

Omnia's Group tax strategy that was approved by the board in FY22 forms the foundation of our tax governance framework.



Tax governance structure

A key enabler of our tax governance framework is Omnia's people and organisation.

We ensure that our tax governance structures support effective decision-making and the robust control of all taxes. This structure starts with the board and audit and risk committee, with the Finance director assuming executive responsibility for all tax-related matters. The tax governance committee supports the board and audit and risk committee in discharging its duties relating to the oversight and management of tax.

The Group tax function, reporting to the Head of tax, provides general oversight and technical tax insight and support to the business on the tax consequences of key business decisions and transactions.

Where necessary, we seek tax advice from expert external service providers on transactions that are material or complex in nature, while changes to tax legislation, regulations and developments in the tax landscape are thoroughly considered to determine the impact thereof on the Group.

We are committed to ensuring that the Group is adequately capacitated and possesses the requisite capability to manage the tax affairs of the Group in an effective manner.

Our tax policy seeks to ensure that the approach to tax adopted by the Group is understood by all members of staff and is clear and transparent to all internal stakeholders.

Board	• Ultimately responsible for our approach to tax • Sets the tone for a culture of awareness of tax risk and the management thereof • Determines the group tax risk appetite
Audit and risk committee	• Has independent oversight of tax risk facing the Group, and is responsible for monitoring controls governing tax • Reviews detailed tax updates prepared by the Head of tax on a quarterly basis (or as required) • Assists the board in fulfilling its tax-related responsibilities
Group Finance director	• Supported by the Head of tax, executes on the board mandate for tax, and assumes overall responsibility for tax-related matters • Defines the tax operating structures that assist in pursuit of achieving the tax strategy
Tax governance committee	• Supports the board and audit and risk committee in discharging their duties relating to the oversight and monitoring of tax • Provides oversight of the groups tax risk profile • Promotes open discussion regarding tax risk and integrates tax risk management
Group tax function	• Provides general oversight of all tax matters concerning the group • Provides technical support, training and guidance to business and the finance teams • Ensures implementation of the tax policy across the group • Provides tax updates for the Head of tax for audit and risk committee submissions
Divisional finance directors and finance teams	• Ensure that the relevant operational tax procedures and tax controls are implemented, adequate and effective • Provide updates to Group tax of all potential tax risks as defined in the tax risk management framework • Responsible for the day-to-day management of the tax risk • Provide updates to Group tax on all significant business transactions that are being considered to ensure that the envisaged transactions do not give rise to adverse tax implications

Tax governance continued

Tax risk management

Tax risk management is integral to our business operations, considering that all day-to-day operations of the Group and business decisions taken have tax consequences and potential associated tax risks that need to be managed within sensible tolerances. Our approach to tax risk is aligned with Omnia's enterprise-wide governance, risk and assurance frameworks and is embedded in the culture and day-to-day activities of the business.

Our governance, risk and assurance framework includes a Group residual risk heatmap which is informed by the assessment of the likelihood and potential impact of events materialising, including tax-related risks.

Omnia employs a combined assurance model to further manage risks.

Combined assurance approach

In line with our enterprise-wide risk management approach, tax risk is managed in accordance with the combined assurance model.

The main function of the lines of defence is to provide the board and senior management with assurance that tax risks and opportunities are being adequately managed to achieve the strategic objectives of the Group, and protect the interests of our stakeholders.

Management (Senior management of divisions and in-country teams) **Owners of tax risk** Identify, evaluate, monitor and report tax risks Implement controls to mitigate risks Self-assess control environments	**Internal assurance providers** (Group tax, tax governance committee, executive committee and audit and risk committee) **Oversight of tax risk** Provide oversight of tax risk and compliance Provide training, support and guidance to the business	**External assurance providers** (Internal audit, external audit, third-party service providers) **Independent assurance providers** Provide objective and independent assurance that income tax and deferred tax computations and all related tax disclosures are accurate and complete Provide assurance that tax processes and policies are effective in their design and operation Provide tax advice and support to the Group on material and potentially complex transactions

Tax risk management framework

1 Identify tax risk
- **Identify** and **understand** risks
- Identify possible causes of risks

2 Assess tax risk
- Assess **impact** and **likelihood** of risk materialising
- Assign **risk rating**
- Assign **risk mitigating measures** and responsibilities
- **Capture risks** in Group tax risk register

3 Mitigate tax risk
- **Implement risk responses** in accordance with risk rating and Group risk tolerance

4 Monitor risk
- **Update risks** in Group tax risk register
- **Monitor risk** against mitigating measures

5 Communicate risk
- **Tax risks** and related tax provisions are **reported to audit and risk committee** on quarterly basis
- Group Finance director informs the board of significant tax risks that require consideration

Continuous tax risk management process

To effectively manage tax risk across the Group, and to meet our strategic tax objectives and stakeholder expectations, we follow a tax risk management framework designed to identify, assess, monitor, review and communicate tax risks consistently across the Group. It is designed to identify tax risk timeously and to ensure that we have appropriate risk response and mitigation measures in place to keep those risks at an acceptable level.

Tax controls and assurance

Key tax controls

To ensure that our tax risks are known and controlled across all tax types, we have implemented key tax controls within our operations. Divisional financial directors and in-country managers are responsible for the day-to-day management of tax risk and to ensure that the relevant operational tax procedures and tax controls are adequately and effectively implemented.

Assurance

The Group's compliance with income tax legislation and IFRS reporting requirements is assessed by our external auditors as part of the annual financial reporting process.

Through a combination of attestation, self-assessment and testing, our internal auditors conduct annual internal audits to ensure that the Group's operational tax procedures and tax controls are implemented, adequate and effective.

This ensures proactive monitoring and provision of assurance to the board that the key responses to and controls of tax risk are being adequately addressed and managed.

Additional risk mitigation measures

External tax advisors are engaged to:
- Review material tax submissions to revenue authorities
- Provide ad hoc specialist in-country tax expertise
- Review management's assessment of material transactions and restructures to verify that the appropriate tax treatment has been adopted
- Support the Group with the preparation of transfer pricing documentation in adherence with the OECD's Transfer Pricing Guidelines

Dealing with uncertain tax positions

IFRIC 23 *Uncertainty over income tax treatments* provides a framework for determining how the recognition and measurement requirements of IAS 12 *Income taxes* should be applied where there is uncertainty over the income tax treatment of a transaction or event, how to measure it, and how to disclose it in the AFS.

An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that approach will be accepted by the tax authority based on the assumption that the tax authority will examine all the information and that it will have full knowledge of all related information when making those examinations. Inherent uncertainties exist in estimates of tax contingencies due to complexities of interpretation and changes in tax laws. Where the Group concludes that it is improbable that a taxation authority will accept an uncertain income tax treatment, the effect of such uncertainty (including interest and penalties) is estimated and recorded in our taxable profit/(loss) for the relevant reporting period by using the most appropriate of two available methods prescribed by IFRIC 23 *Uncertainty over income tax treatments* to predict the resolution of the uncertainty.

Where appropriate, management consults with experts in determining the estimated liabilities to be recognised.

The audit and risk committee considers key matters related to the accounting treatment, measurement, and disclosure of uncertain tax positions reported to it by the Group tax function on a quarterly basis or more frequently where material matters require consideration. The committee then interrogates and evaluates management's underlying assumptions and judgements before it confirms the assessment made by management. As at 31 March 2024, the Group has recognised R283 million (FY23: R307 million) of estimated uncertain tax liabilities related to the possible adverse outcomes of uncertain tax positions, with the most significant matter giving rise to this provision arising from a legacy transfer pricing dispute with the South African Revenue Service (SARS). [See the *AFS*: note 26 for details].

Innovex plant, Losberg

Our context

Tax landscape

The Omnia Group tax function keeps abreast of the dynamic global tax landscape, ensuring it is well versed in changing legislation and tax requirements in the countries in which the Group operates. Following the introduction of tax legislative changes, the impact is evaluated, communicated and implemented in the businesses concerned.

The global environment

The Group is mindful of the economic context the governments of the countries in which we operate are grappling with. The consequences of the Covid-19 pandemic, which depleted many countries' financial reserves, are still impacting states' finances. This has been compounded by geopolitical tensions, supply chain disruptions, rising inflation and a higher interest rate environment. In this context, many governments are seeking to increase revenues by, among other things, applying an increased focus on tax audits.

In addition, there have been several changes to global tax legislation and regulations.

In 2021, the OECD introduced the Global Anti-Base Erosion (GloBE) Model Rules, establishing a universal minimum corporate tax rate of 15% applicable to multinational corporations. South Africa is among the more than 140 jurisdictions that have signed the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting.

The European Union (EU) unanimously adopted the Minimum Tax Directive on 15 December 2022, giving member states until 31 December 2023 to transpose it into local legislation. On 2 February 2023, the OECD published its administrative guidance on the GloBE rules to clarify some ambiguities in the initial commentary.

On 21 February 2024, the South African Government proposed the implementation of two components of the OECD's Global Minimum Tax: the 'Income Inclusion Rule' (IIR) and a 'Domestic Minimum Top-up-Tax' (DMTT).

The IIR will require multinational entities headquartered in South Africa to pay a 'top-up' tax (up to 15%) to SARS for any subsidiaries in low-tax jurisdictions. The DMTT will ensure that any 'top-up' tax liability for South African operations of foreign multinational entities is collected by SARS. These measures are anticipated to come into effect for the Omnia's financial year ending 31 March 2025.

Canada has also enacted IIR and DMTT legislation on 20 June 2024, effective for Omnia's financial year ending 31 March 2025. Australia has published draft legislation, while Indonesia has a wide-ranging legal instrument which may be used to implement the GloBE rules. Likewise, Kenya and Zimbabwe have indicated their intention to introduce these rules. Mauritius has introduced DMTT legislation, which is not yet in force.

Full implementation of the GloBE rules require a rigorous data gathering exercise and impact assessment. We are working closely with our advisors in assessing the implications of these rules while exploring strategies to ensure compliance once the rules are operational.

Carbon tax

While our growing global footprint will enable us to adopt a multi-faceted approach to achieving net zero carbon emission targets overall, the largest contributor to our carbon footprint is our manufacturing operations in South Africa.

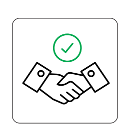
South African carbon tax legislation requires taxpayers to submit the carbon tax returns (for a calendar year) and corresponding payment by July the following year. During the annual budget, National Treasury announced the carbon tax rate will increase from R144 per tonne CO_2e for 2022 to R159 (2023), R190 (2024) and R236 (2025) per tonne CO_2e.

Due to improved abatement efficiencies at our Nitric Acid plants in Sasolburg, Omnia's R1.2 million carbon tax liability for 2022 (paid in July 2023) decreased from the 2021 carbon tax liability of R1.3 million, despite an increase in the carbon tax rate from R134 to R144 per tonne CO_2e. The 2023 carbon tax liability is estimated to be R1.0 million which is payable by end July 2024.

A policy paper outlining the design for the second phase of the carbon tax regime from 1 January 2026 and how National Treasury plans to monitor and align the carbon tax to global carbon pricing is expected to be published later in the year.

Up to 2024, the carbon tax legislation allowed for a 5% carbon budget allowance. The current proposed carbon tax amendments will exclude this allowance with effect from 1 January 2025, which is expected to result in an increased carbon tax liability for the Group from FY25.

Stakeholder engagement



We recognise that sound stakeholder relationships underpin the success of our business and our ability to create value. In particular, government and regulators who develop and enforce legislation and associated regulations have a significant influence on our operations.

Moreover, our shareholders and business partners and the communities in which we operate are interested in the contributions we make to the countries and regions.

For more on stakeholder engagement, see our *IAR* – page 32.

We acknowledge that good stakeholder relations are critical for optimal tax operations and strive to have open and transparent relationships with all our tax stakeholders in order to build cooperative relationships. Tax stakeholder engagement takes place at all levels, in all geographies and across all companies in the Group.

Relationships with revenue authorities

Omnia is committed to establishing constructive and sustainable relationships with revenue authorities, built on a foundation of mutual transparency and respect.

Our engagement with tax authorities is underpinned by our values and behaviours, which include:

- Acting responsibly
- Treating everyone with respect
- Demonstrating our commitment to the development and growth of others
- Collaboration
- Doing the right thing
- Being honest and transparent

The intensified scrutiny from tax authorities worldwide coupled with the protracted nature of tax audits (often spanning several years) underscores the importance of building sustainable relationships with tax authorities by proactively managing tax disputes and responding to tax authorities in a transparent, thorough and accurate manner to resolve tax audits as timeously as reasonably possible. Engagements with tax authorities are carried out in-country with the support of Group tax and in-country tax specialists. Our engagements with revenue authorities typically seek to resolve tax matters through active participation.

While the Group is dedicated to the prompt resolution of tax disputes, we are steadfast in our pursuit of seeking outcomes on tax matters in a manner that upholds fairness to our Group and its stakeholders. Achieving the right balance between these objectives is therefore considered crucial in our engagements with tax authorities.

We therefore recognise the potential necessity of exploring other avenues, such as seeking adjudication by the courts, to safeguard the interests of our stakeholder.

"While the Group is dedicated to the prompt resolution of tax disputes, we are steadfast in our pursuit of seeking fair outcomes on tax matters in a manner that upholds fairness to our Group and its stakeholders."

Nitric acid plant 2 (NAP2) and Ammonium Nitrate 2 plant (AN2), Sasolburg

Our performance

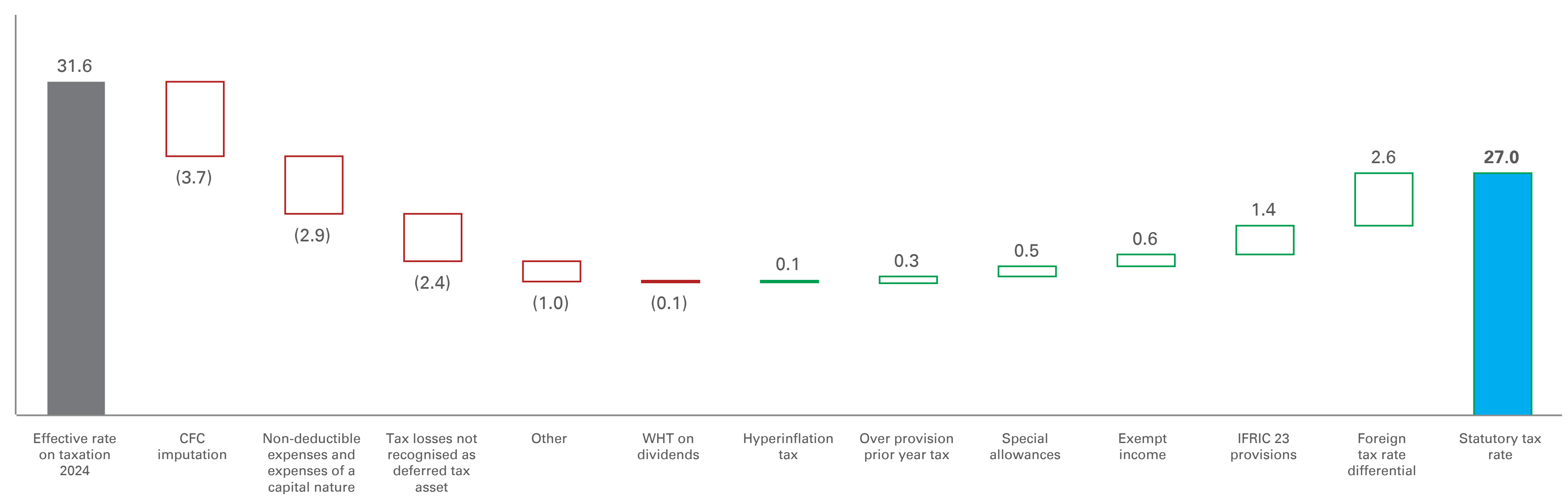
Reconciliation of effective tax rate to statutory tax rate

The Group operates in 26 countries across the world which have in-country statutory tax rates ranging from 3% to 32%.

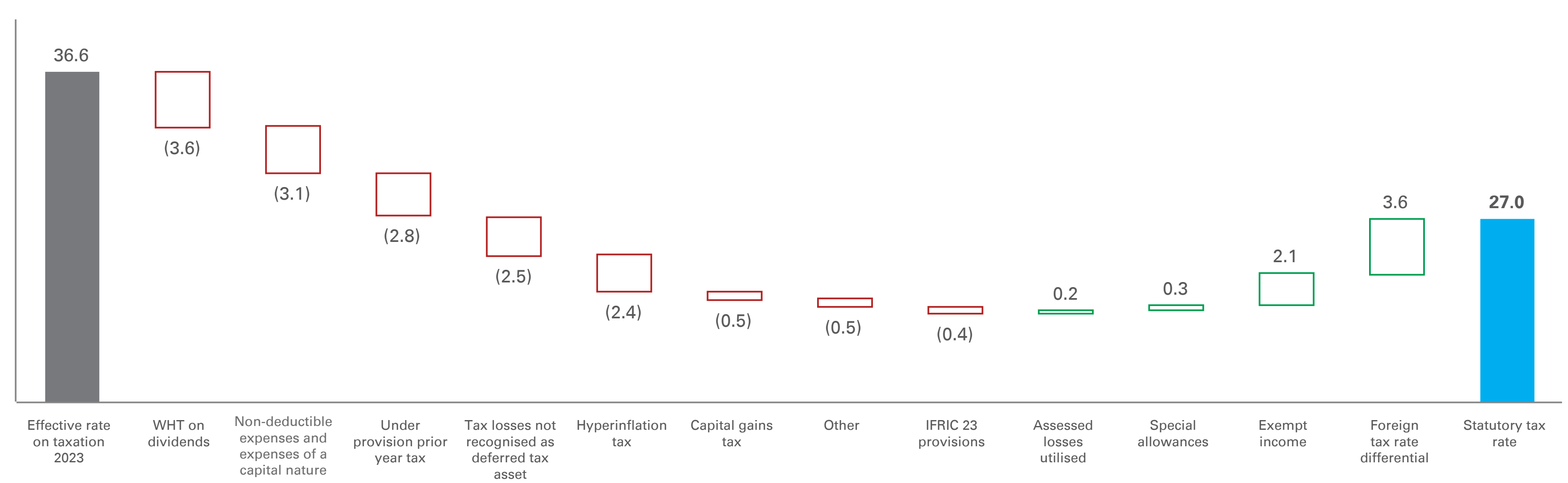
The tax rate reconciliation has been performed using South Africa's statutory tax rate of 27%, being the country in which Omnia Holdings Limited is tax resident.

The graphs below set out the main contributors to Omnia Holdings Limited's consolidated effective tax rate by reconciling the effective tax rate achieved to the South African statutory corporate tax rate. See the AFS: note 26 for details.

FY24



FY23



Non-deductible expenses and expenses of a capital nature include consultation and legal fees, overseas travel, non-deductible employee expenses, capital expenses and Organization for the Harmonization of Business Law in Africa (OHADA) to IFRS conversion.

Other includes non-deductible interest and unrealised foreign exchange losses.

The Group relied on the high tax exemption in FY23 which substantially reduced the total **CFC imputation**. This exemption was not available in FY24. The CFC imputation of 0.2% in FY23 was included in "Other".

Exempt income mainly comprises unrealised foreign exchange gains and share of results from joint ventures.

The Group operates in 26 countries across the world which have statutory rates of tax between 3% and 32%. The tax reconciliation has been performed using the Omnia Holdings Limited statutory rate of 27% (FY23: 27%). The impact of the different tax rates applied to taxable (profits)/losses in foreign jurisdictions is disclosed as **Foreign tax rate differential**.

Special allowances include the learnership allowances and renewal energy tax incentive.

Our performance continued

Country-by-Country (CbC) reporting

This disclosure is based on the most recent required CbC Report submitted to SARS in respect of the Group's financial year ended 31 March 2023. The report was prepared in accordance with the OECD's Base Erosion and Profit Shifting Action Plan 13, which focuses on Transfer Pricing Documentation and CbC reporting to assist tax administrations in conducting risk assessments on multinational enterprises.

The Group's CbC report for the year ended 31 March 2024 is due to be submitted to SARS by 31 March 2025.

This report has been prepared based on the guidelines of GRI 207–4: Tax 2019. Please note that the data provided in our CbC Report was compiled in accordance with the requirements of Action 13 of the OECD/G20 BEPS Project and may therefore deviate from Omnia's statutory AFS for the financial year ended 31 March 2023 which is prepared in terms of IFRS. Refer to Glossary.

CbC report – FY23

	Business segment				Global financial performance overview (Rm)								
Tax jurisdiction	**Agriculture**	**Mining**	**Chemicals**	**Other[1]**	**Revenue from unrelated parties**	**Revenue from related parties**	**Profit/(loss) before income tax**	**Stated capital**	**Tangible assets other than cash and cash equivalents**	**Income tax paid (cash tax)**	**Income tax accrued**	**Accumulated earnings**	**Number of employees**
Angola			✓		—	—	(11)	(7)	—	—	(10)	16	—
Australia	✓	✓		✓	332	33	40	(43)	265	14	—	(82)	44
Botswana		✓			43	—	(3)	—	10	2	3	(41)	1
Brazil	✓				207	—	79	(4)	42	7	(2)	(138)	28
Burkina Faso		✓			69	8	(30)	(85)	116	1	—	53	21
Canada		✓			45	—	(34)	—	84	—	—	39	—
China				✓	—	9	3	(2)	—	—	—	(10)	4
DRC		✓			—	—	(10)	—	38	—	(3)	20	4
Guinea		✓			—	—	—	(6)	—	—	1	4	—
Indonesia		✓			45	—	12	—	33	—	(2)	15	56
Ivory Coast		✓			4	—	(9)	—	15	—	—	9	1
Kenya	✓		✓		109	3	1	(102)	30	—	—	31	14
Lesotho		✓			55	—	8	—	14	—	—	(11)	9
Mali		✓			484	3	7	(183)	375	15	(9)	4	103
Mauritania		✓			49	(1)	2	(93)	37	1	(1)	34	13
Mauritius				✓	390	1 562	594	(7)	271	82	10	(898)	9
Mozambique	✓				43	250	(36)	—	112	31	13	44	15
Namibia		✓			460	14	12	—	39	2	6	(108)	39
New Zealand	✓				—	—	—	—	—	—	—	2	1
Senegal		✓			—	—	—	(9)	—	—	—	3	—
Sierra Leone		✓			88	—	11	(20)	37	—	1	(160)	10
South Africa	✓	✓	✓	✓	19 672	3 363	1 503	(7 871)	7 505	432	(42)	(5 322)	2 811
Tanzania		✓			2	—	(1)	—	—	—	—	27	—
USA	✓	✓			3	—	(14)	—	13	—	—	40	6
Zambia	✓	✓			4 262	2	282	—	616	104	10	(370)	543
Zimbabwe	✓				701	—	(180)	—	23	2	(1)	452	137
Total					**27 063**	**5 246**	**2 226**	**(8 432)**	**9 675**	**693**	**(26)**	**(6 347)**	**3 869**

[1] Holding companies, property companies, procurement and sourcing companies.

Our performance continued

Glossary – Country-by-Country reporting

Revenue	Revenue includes revenues from sales of inventory and services, finance income, and other operating income
Revenue from unrelated party	Revenues from transactions with independent parties
Revenue from related party	Revenues from transactions with associated enterprises
Profit/(loss) before income tax	Profit/(loss) before tax is based on the pre-consolidation profit/(loss) before tax
Income tax paid (cash tax)	Income tax paid comprises normal income taxes and withholding taxes paid during the year, which may include payments relating to the prior year
Income tax accrued	Accrued current tax expense recorded on taxable profits/(losses) for the year excluding deferred taxes and provisions for uncertain tax liabilities
Stated capital	Stated capital includes share capital and capital reserves
Accumulated earnings	Sum of the entity's profits since inception
Number of employees	The total number of employees employed on a full-time equivalent basis
Tangible assets other than cash and cash equivalents	Tangible assets do not include cash and cash equivalents, intangibles and financial assets

Supplementary information

GRI content index

Omnia has adopted GRI 207: Tax 2019, issued by the Global Standards Sustainability Board (GSSB). This content index should be read in conjunction with our full GRI content index in our ESG Report, pages 54 to 56.

Disclosure	Description	Location
207-1	Approach to tax	Pages 5 and 6
207-2	Tax governance, control and risk management	Pages 7 and 8
207-3	Stakeholder engagement and management of concerns related to tax	Page 9
207-4	Country-by-Country reporting	Page 11

Administration

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ISIN: ZAE000005153

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