

### Kopano Brickworks Ltd Building Communities together

Kopano Brickworks is a well-established black-owned brick manufacturing company. Kopano was established in 1999 as an empowerment company when our workforce purchased a 75% stake in the Stilfontein operation from Corobrik. Over the years Corobrik increased its shareholding to 46.1%. During 2019 Kopano management and employees bought 46.1% shares of Corobrik and therefore Kopano is now black owned.

The Stilfontein factory has an annual capacity of 62 million face brick units. Plans are underway to commission additional capacity of 60 million units, at the company's Taai factory located in Mpumalanga. Production is expected in March 2020.

The company's executive team has extensive experience in both business management and clay brick production. Managers and staff members have been with the company since its inception.

Our employees are our shareholders, so a safe working environment is of crucial importance. Our Safety, Health and Environment Programme exceeds the standards set by the Mine, Health and Safety Act.

### Our products

Kopano are proud to provide South African developers and property owners with quality, crafted clay brick products that will last a lifetime. We are known for our superior clay brick products that have high dimensional consistency and high (mPa) strengths.

Our honey-coloured textured face bricks can be seen in up-market commercial and residential developments throughout Gauteng as well as in North West, Limpopo, Mpumalanga, Northern Cape and the Free State.

Kopano Brickworks also manufactures the cost-saving Jem bricks ( $150 \times 222 \times 73$ cm) – a product that cuts construction time and material costs while still meeting National Building Regulations and SABS requirements.

Our products are also used in public sector schools and hospitals.

### **Production Capabilities**

Kopano owns three manufacturing operations:

- the primary clay brick plant at Stilfontein near Klerksdorp
- Taai Brick near Bronkhorstspruit, 40kms east of Pretoria to be commissioned in March 2020.
- Mogale factory near Mogale City currently used as a sales and distribution centre

The Stilfontein factory has a 30 chamber Transverse Arch Kiln that is fired continuously. Continuous firing is considered to be one of the most energy-efficient kiln technologies for clay brick manufacture (view CBA Research Findings). This allows Kopano to produce superior, premium-price bricks that meet growing consumer pressure for sustainable, environment-friendly construction material.

Our manufacturing processes are based on sound environmental practices, designed to lessen the impact of our business on the environment. We are well placed to take advantage of the demand for greener buildings for social infrastructure.

Managing air quality is important to meet legislative requirements. Kopano have strict measures in place and work to minimise dust and other potentially harmful particulates and emissions.

The Taai and Mogale factory will fire clay bricks in traditional clamp kilns.

Kopano's investment in advanced production technology will stand the company in good stead for years to come.

### **Product desirability**

A company can only thrive if our products remain relevant to consumers and there is a continually growing demand for what it produces. We market four beautiful face brick products:

- Opal Satin (FBS)
- Corngold Satin (FBS)
- Copper Satin (FBS)
- Jem bricks (FBS)

There is a huge backlog in housing and infrastructure in South Africa. Mayor Mashaba reported in October 2018 that Johannesburg alone – one of Kopano's closest metropolitan markets – faces a backlog of 300 000 units and that buildings rated with 4 green stars or higher are the benchmark.

The recent drought and the re-introduction of energy-saving by power utilities and rapidly escalating costs of electricity and water have made energy-and resource-efficient accommodation increasingly appealing to property developers. Amongst our many benefits, clay brick easily meets the Deemed-to-Satisfy requirements of SANS 204 and SANS 10400-XA: Energy Usage in Buildings.

Brick products are the benchmark for quality housing in South Africa. Property owners know they can expect lower electricity bills for life if clay brick products are selected for walling. Made from 100% natural clay, clay brick is considered one of the most "green" walling products available to home owners.

Kopano's face bricks are low/no maintenance and do not require painting or plastering, greatly increasing their appeal. Our bricks are the most popular choice for affordable housing as they offer excellent insulation against both heat and cold, have high structural integrity and achieve maximum fire ratings.



### Building capacity for the future through Community Involvement

Kopano has implemented numerous projects to support the local communities in which we operate. This helps ensure that the company is well respected and supported.

We have donated face bricks for the building of several churches in the North West province, paving for schools in the Dr Kenneth Kaunda district and bricks for building the Early Learning Centre in Khuma Extension 9.

Some of our popular youth development programmes are football coaching for ages 12 to 21, netball, athletics and adult choir where we promote confidence, good health and community participation through sport.

Our Feeding Scheme run through OK Bazaars is over 10 years old and provides critical supplies to the informal Khuma community.

Kopano sponsors two bursaries each year for local scholars to attend University. Graduates return to the community with useful business and entrepreneurial skills that have helped to create a thriving and stable local economy.

Long term education initiatives like our Adult Literacy programme help to build skills capacity for both employees and the community.

#### **CBA** membership

Through our membership of the Clay Brick Association of Southern Africa, Kopano has access to the latest research on clay brick production technologies and customer trends in the industry. The CBA monitors and advises Kopano on current and future legislation like carbon tax and air emissions, allowing us to respond proactively and avoid risks and costs due to lack of knowledge and non-compliance.

Kopano Brick is permitted to display the Clay Brick mark on our signage and products. This icon is marketed nationally and is a symbol of sustainable production and sustainable top-grade masonry products.

The CBA markets clay bricks extensively in the media and at relevant events, helping to continually build the size of our market.

#### **Kopano Brickworks Limited**

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