

King IV application register

Our detailed King IV application register aligns with King IV's recommendation to apply and explain how we practise good governance. We explain actions taken, policies, frameworks, and processes that support the principles applied by Exxaro.

Applicable action, policies and processes

Ethical culture

The governing body should set the tone and lead ethically and effectively [1.1]

- The board adopted a code of ethics, statement of strategic ethical intent, an ethics strategy and management plan
- The board charter regulates the parameters the board operates in and ensures good corporate governance principles are applied
- We annually review the board charter, board committees' membership, terms of reference, annual work plans and key focus areas
- The board charter states that directors have a duty to exercise a degree of care, skill and diligence expected of a reasonably diligent person with general knowledge, skill and experience, and a fiduciary duty to act in good faith and in a manner that is in Exxaro's best interest
- In terms of our board charter, directors shall be individuals of calibre, integrity and credibility
- The board considers succession planning and board refreshment integral components for ensuring the long-term sustainability of the company
- The board applies a zero-tolerance approach to actions taken without integrity
- Guidelines in support of this principle include the code of ethics, the ethics strategy and management plan, and the director nomination and appointment, conflicts of interest, anti-bribery and anti-corruption, fraud prevention and response, gifts and benefits, politically exposed persons/publicly influential persons and whistleblowing policies

The governing body should ensure that the organisation's ethics are managed effectively [1.2]

- The social, ethics and responsibility committee (SERC) oversees our ethics in business practices and relationships with employees, other stakeholders and the natural environment
- We ensure ongoing monitoring and reporting on the group-wide anti-bribery and anti-corruption programme to the audit committee
- The board oversaw the appointment of an ethics officer and approved an ethics management strategy and management plan, which is monitored by the SERC
- Our ethics officer implements the ethics management plan across the business to embed an ethical culture
- "The Exxaro Way" describes the ethical values-driven culture being embedded across the organisation through ethics awareness inductions and communication
- We use an electronic tool to declare and monitor declarations of conflicts of interest, as well as a gifts and benefits policy, to be disclosed by employees and consultants
- Our supplier code of conduct guides supplier selection and promotes our commitment to ethical conduct. This was bolstered by our supplier ethics day to ensure ethical alignment with our top suppliers
- The board approved a revised supply chain sustainability policy to align with regulatory changes, Exxaro's strategy and revised tender evaluation criteria, taking into consideration industry peer benchmarked best practices

The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen [1.3]

- The board continues to monitor the implementation of our human rights policy through the SERC
- We express continued commitment to supporting the UNGC principles on human rights, labour, environment and anti-corruption
- Our Sustainable Growth and Impact strategy includes impact investments to contribute to an equitable society
- The SERC's mandate entrenches responsible corporate citizenship as part of its focused activities, in addition to its responsibility for ethics and other areas
- Guidelines in support of this principle include: the diversity, equity, and inclusion framework, decarbonisation strategy, ESG policy, B-BBEE level 1 target, zero-harm safety target, emergency response plan, political donations, stakeholder management, and environmental, health and safety policies

Performance and value creation

The governing body should lead the value creation process by appreciating that strategy, risk and opportunity, performance and sustainable development are inseparable elements [2.1]

- Our updated strategy process ensures a continuous and integrated strategy cycle across the group to support our purpose
- Before executive leadership presents the strategy to the board, iterative strategy workshops – which follow a bottom-up process – and board governance sessions are held, with inputs integrated into the strategy
- As part of the strategy review and development process, we conduct a risk and opportunity assessment, including emerging risks and material sustainability issues
- The board annually reviews, refines and approves our strategy
- In 2025 the SERC reviewed the company's strategic KPIs to ensure alignment with our strategy
- The board approved the consolidated ESG framework as a lens through which to view the Sustainable Growth and Impact strategy
- Our strategic performance management dashboard has been cascaded for oversight to each of the relevant committees to ensure strategic execution and timely conversations within the group's governance structure
- We reviewed the ERM framework and our risk appetite
- We monitor the impact of external and internal events on the strategic risk profile, including future events

<p>The governing body should ensure that reports and other disclosures enable stakeholders to make an informed assessment of the performance of the organisation and its ability to create value in a sustainable manner [2.2]</p>	<ul style="list-style-type: none"> • Our integrated report is guided by integrated reporting principles • Materiality considerations serve as a crucial guide for our reporting practices • The integrated report sets out the strategic objectives, business model and material matters that impact the business and the risks preventing the achievement of objectives • The risk and business resilience (RBR) committee oversees the consolidated mineral resources and reserves report as part of integrated reporting • The audit committee annually assesses financial materiality and material matters, prior to board approval • The board approves the integrated report, ESG report and the financial statements • Guidelines in support of this principle include: the external communication policy, our integrated reporting process and the delegation of authority framework
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Adequate and effective control

<p>The governing body should serve as the focal point and custodian of corporate governance in the organisation [3.1]</p>	<ul style="list-style-type: none"> • The board remains accountable for Exxaro's corporate governance, as supported by our group governance framework • The group governance framework was reviewed in 2025 to clarify the structures, principles and processes through which the board exercises oversight, direction and control of the group and its subsidiaries • The delegation of authority framework was updated in 2025 to keep it abreast with governance trends, reflect new management structures, and promote efficiency and collaboration in business execution • The board entrenches good corporate governance throughout Exxaro in all decision making • The board attends mandatory governance sessions for directors and executive management twice a year in addition to subject-specific deep dives at a committee level • New directors receive formal induction on appointment • The nomination committee determines and evaluates the adequacy, efficiency and appropriateness of the group governance structure, practices and processes • Guidelines in support of this principle include: the group governance framework, board charter, and the delegation of authority framework and policy
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<p>The governing body should ensure, in its composition, a balance of the skills, experience, diversity, independence and knowledge needed to discharge its role and responsibilities [3.2]</p>	<ul style="list-style-type: none"> • Our director nomination and appointment policy provides a framework and sets standards for the nomination and appointment of relevant, fit and proper, suitably skilled and ethical non-executive directors to the board • The nomination committee ensures the board comprises the appropriate level of skills, experience, diversity, independence and knowledge • The nomination committee annually categorises non-executive directors for independence • A high-level skills and experience matrix facilitates directors' appointments • The board reviews and approves its diversity and inclusion targets annually • Directors receive formal appointment letters • Directors declare any outside interests on appointment and before meetings, as well as a formal declaration of interests that is submitted twice a year • The board appoints the lead independent director • The CEO and chairperson's duties are divided as per the board charter • Policies and frameworks include, among others: the director nomination and appointment policy, director diversity and inclusion policy, board charter and the nomination committee's terms of reference
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<p>The governing body should consider creating additional governing structures to assist with balancing power and effective discharge of responsibilities without abdicating accountability [3.3]</p>	<ul style="list-style-type: none"> • The board reviewed all committee mandates and delegated powers to its committees • An ad hoc BEE unwind committee assists to address BEE liquidity events as stipulated in the relationship agreement with Eyesizwe • All board committees have formally approved terms of reference and annual work plans that are reviewed annually • The board assesses committee compositions annually and in 2025 appointed Isaac Malevu as chairperson of the logistics committee, and Billy Mawasha as a member of the remuneration and nomination committees, effective 30 July 2025 • Board committee composition complies with the Companies Act, our memorandum of incorporation, King IV and each committee's terms of reference • The majority of each board committee's members are independent non-executive directors, with the audit committee comprising only independent non-executive directors who have not been directors for more than nine years • Guidelines in support of this principle include: the group governance framework, board charter and board committee terms of reference
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<p>The governing body should ensure that the appointment of and delegation to competent executive management contributes to an effective arrangement through which authority and responsibilities are exercised [3.4]</p>	<ul style="list-style-type: none"> • A clear division of power exists between the CEO and chairperson as per the approved board charter • The board monitors executive leadership's performance • The executive committee has formal terms of reference that were reviewed in 2025 • The board approves the group delegation of authority and group governance framework • The board appoints the group company secretary, governance and ethics • The board assesses the group company secretary, governance and ethics' performance annually • Guidelines in support of this principle include: the group governance framework, and the delegation of authority framework and policy
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<p>The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members supports continuous improvement in its performance and effectiveness [3.5]</p>	<ul style="list-style-type: none"> • The board conducted an in-depth performance assessment through questionnaires and one-on-one interviews at the beginning of 2025 • The board skills matrix was reviewed in 2025 to ensure the board measures its skill sets against the knowledge and experience required to oversee the strategy execution • The nomination committee oversaw a formal implementation plan to address potential improvement areas identified by the assessment and reported to the board
<p>The governing body should govern risk and opportunity in a way that supports the organisation in defining its core purpose, and to set and achieve strategic objectives [4.1]</p>	<ul style="list-style-type: none"> • The board approves and periodically reviews the ERM framework • The board links strategy, risks, risk appetite and performance via the strategic performance dashboard • The board considered the interconnectedness of risks and a tactical risk profile to mitigate potential key operational and short-term risks that could influence strategic execution • We apply an integrated risk management approach in the strategy review process, including identifying emerging risks • Our strategic risk profile was found to be robust and reflects relevant risks that apply to our peers • We updated the strategic performance dashboard based on the Sustainable Growth and Impact strategy, including focused and tiered KPIs for the board cascading down to management, to ensure metrics are aligned with strategic objectives and address matters within and outside of the defined risk appetite • Guidelines in support of this principle include: the strategic risk profile, the ERM framework, group compliance policy and the group treasury risk management policy
<p>The governing body should govern technology and information in a way that supports the organisation in defining core purpose, and to set and achieve strategic objectives [4.2]</p>	<ul style="list-style-type: none"> • The RBR committee monitors information management risks and security posture • The audit committee oversees IT management governance including cybersecurity resilience and the operational technology and IT environments • The oversight and management of the responsible use of artificial intelligence has been elevated to the board • We strategically aligned the information management governance framework with recognised industry standards • To further enhance decision making, oversight and strategic direction, we instituted several management governance forums • Guidelines in support of this principle include: the acceptable use of information and communications technology (ICT), security, operations, project management, asset management and ICT service continuity policies
<p>The governing body should govern compliance with laws and ensure consideration of adherence to non-binding rules, codes and standards [4.3]</p>	<ul style="list-style-type: none"> • The board formally approved a compliance policy • We promote a compliance culture at all levels, including going beyond compliance requirements • The board fully integrates the compliance process with the risk process • The board undergoes compliance awareness training on material legal risks annually through two focused governance sessions and reading room material, among others • We developed compliance self-assessment questionnaires for managers to assess compliance with licence to operate requirements • We reviewed and updated our regulatory compliance universe with the necessary content to assist management in understanding relevant legislation • We update compliance content as changes occur • We have updated our Protection of Personal Information Act (POPIA) policy and rolled out additional training • Our internal reporting process requires management to indicate the risk and compliance analysis of recommendations to the board • Our policies reflect on the relevant legislation that guides them as well as other non-binding rules and commitments made by Exxaro • Guidelines in support of this principle include: the group governance framework, group compliance policy, POPIA policy and Promotion of Access to Information Act manual
<p>The governing body should ensure that the organisation remunerates fairly, responsibly and transparently to promote the creation of value in a sustainable manner [4.4]</p>	<ul style="list-style-type: none"> • The remuneration committee determines and oversees implementation of the remuneration strategy and policy to ensure they are internally equitable and externally competitive • Shareholders vote on the remuneration policy at the AGM • Formal engagement with shareholders includes an annual governance roadshow • A round table discussion session post the governance roadshow was held with shareholders to provide feedback and to obtain input on potential legacy issues • The board is committed to meaningful engagements with stakeholders regardless of the outcome of the non-binding advisory vote at the AGM • The remuneration committee developed and approved a wage gap statement of intent • A light-touch review of non-executive director remuneration benchmarking took place in 2025 • Guidelines in support of this principle include: the gender equality charter, and the diversity and inclusion, persons with disabilities, employment equity, unfair discrimination, malus and clawback, and remuneration policies
<p>The governing body should ensure that assurance results in an effective control environment and integrity of reports for better decision making [4.5]</p>	<ul style="list-style-type: none"> • The audit committee approves the internal audit charter and plan annually • The audit committee approves the external audit plan annually • We adopted a formal policy as a framework for engagement of auditors to supply non-audit services • The policy for engagement of the external auditor to supply assurance and other services was reviewed in 2024 • We have a risk-based internal and external audit report • Our combined assurance forum with formally approved terms of reference ensures assurance activities are coordinated • We revised our combined assurance model to provide for the five lines of assurance • The audit committee monitors the close-out of all findings • Internal audit performance forms part of executive KPIs

Trust, good reputation and legitimacy

As part of its decision making in the best interests of the organisation, the governing body should ensure that a stakeholder-inclusive approach is adopted, which takes into account and balances legitimate and reasonable needs, interests and expectations [5.1]

- The board charter confirms the board's commitment to considering material stakeholders' interests and expectations
 - The board approved a stakeholder management policy
 - The annual board governance roadshow was held in September 2025 to create positive engagement with our investor community
 - The nomination committee considered recommendations flowing from the 2025 annual board governance roadshow
 - Our 2025 stakeholder days were attended by remuneration committee members and the executive responsible for stakeholder management
 - We follow a KAM approach to stakeholder engagement to ensure inclusivity and responsiveness
 - The SERC monitors the group's activities having regard to any relevant legislation, legal requirements or prevailing codes of best practice
 - All operations have an approved stakeholder engagement plan
 - All directors attend the AGM
 - Shareholders approve the appointment of members to the SERC as well as the members of the audit committee
 - Our internal reporting process requires management to address risk, compliance, finance, strategy and ESG implications
 - The board considered the JSE compliance certificate for the reporting period, confirming the company's compliance with the JSE Listings Requirements and Debt Listings Requirements
 - The board oversees the publication of our annual financial statements, ESG report, board committee reports, remuneration report and other online or printed information that complies with legal requirements and meets the legitimate and reasonable information needs of stakeholders
 - The board considered the controls in place to ensure insider dealing regulatory compliance
 - The board is satisfied that the sponsors have executed their mandate with due care and diligence for 2025
 - The audit committee considers the level and extent of assurance and other services rendered by the independent external auditor during the year, to ensure it did not affect its independence
 - Guidelines in support of this principle include: stakeholder management policy, external communication policy, insider dealing policy, engagement of the external auditor to supply assurance and other services policies and the delegation of authority framework
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