

Sound governance is the foundation of sustainable value creation. We uphold ethical leadership, clear accountability and disciplined oversight to strengthen stakeholder confidence and enable future readiness. Our streamlined executive leadership structure will enable us to manage risks more effectively, respond to opportunities faster and execute our strategy sustainably.



4

Upholding good governance

- 64 Our leadership
- 69 Summarised governance report
- 88 Combined assurance for effective governance

Our board of directors

The board provides effective ethical leadership and strategic direction while balancing the company's interests as a responsible corporate citizen with stakeholders' legitimate needs and expectations, within a framework of principled governance. We are proud to present the following board members:

Independent non-executive director and chairman

Mvuleni Geoffrey Qhena (60)

Board chairman and independent non-executive director



Director since 19 April 2021 and board chairman since 27 May 2021

Senior Executive Programme (jointly offered by Harvard Business School and Wits Business School), Advanced Taxation Certificate (Unisa), CA(SA), BCompt (Hons), BCompt (Unisa)

Other JSE-listed boards: Investec Bank Limited, Telkom SA Limited

Executive directors

Ben Magara (58)

CEO, former independent non-executive director and investment committee chairperson

Director since 7 February 2022, and CEO from 1 April 2025

BSc (Hons) (Mining engineering), Advanced Management Programme (GIBS), Accelerated Development Programme (London Business School)

Other JSE-listed boards: WEIR Group plc

Riaan Koppeschaar (55)

FD

Executive director since July 2016

CA(SA), Advanced and Associate Programmes in Treasury Management (Unisa), Advanced Diploma in Taxation (Unisa), Advanced Management Programme (INSEAD), BCom (Hons) (University of Pretoria), Certificate in Theory of Accounting (University of Pretoria)

Other JSE-listed boards: None

Independent non-executive directors

Geraldine Fraser-Moleketi (65)

Lead independent non-executive director



Director since 18 May 2018

MPA (cum laude) (University of Pretoria), Leadership Programme (Wharton), Digital Savvy Board Member Certificate (MIT Sloan School of Management), Fellow of the Institute of Politics (Harvard). Awards: DPhil honoris causa (North-West University), DPhil honoris causa (Nelson Mandela University)

Other JSE-listed boards: Standard Bank Group Limited, The Standard Bank of South Africa Limited, Tiger Brands Limited

Karin Ireton (70)

Independent non-executive director



Director since 7 February 2022

MA (International political economy) (University of Leeds), International Programme for the Management of Sustainability (Netherlands), Environmental Impact Assessment and Management (University of Aberdeen)

Other JSE-listed boards: None

Billy Mawasha (47)

Independent non-executive director and chairperson of the investment committee from 1 April 2025



Director since 7 February 2022

BSc (Electrical engineering), Government Certificate of Competency for Engineers, Factories (Electrical), Government Certificate of Competency for Engineers, Mines and Works (Electrical), Global Leadership and Public Policy for the 21st Century (Harvard Kennedy School), Advanced Management Programme (Kellogg School of Management), Accelerated Development Programme (London Business School), Programme for Management Development (GIBS)

Other JSE-listed boards: AECI Limited

Chairperson

- Audit committee
- Board
- Investment committee
- Logistics committee
- Nomination committee
- Remuneration committee
- RBR committee
- SERC

Member

- Audit committee
- Investment committee
- Logistics committee
- Nomination committee
- Remuneration committee
- RBR committee
- SERC

Independent non-executive directors continued

Nondumiso Ketwa (55)

Independent non-executive director



Director since 3 January 2023

CA(SA) SAICA, PGDip (Accounting) (University of KwaZulu-Natal), BAAcc (University of Durban Westville), Certificate in Sustainability Leadership and Corporate Governance (London Business School)

Other JSE-listed boards: Alexander Forbes Group Holdings, Daimler Truck Southern Africa, Metair Investments

Dr Phumlá Mnganga (58)

Independent non-executive director



Director since 7 February 2022

PhD (Entrepreneurship/entrepreneurial studies) (Wits Business School), MBL (Business management) (Unisa), BEd (University of KwaZulu-Natal), BA (University of KwaZulu-Natal)

Other JSE-listed boards: Adcorp Group SA, Adcorp Holdings, Altron

Nosipho Molohe (61)

Independent non-executive director



Appointed 3 January 2024

BSc (Medical sciences) (Wits), BCompt (Hons) (Unisa), CA(SA) SAICA

Other JSE-listed boards: Alexander Forbes Group Holdings Limited, MTN Group Limited

Chanda Nxumalo (43)

Independent non-executive director



Director since 1 February 2021

MEng (Economics and management) (University of Oxford)

Other JSE-listed boards: None

Peet Snyders (65)

Independent non-executive director



Director since 1 July 2016

BEng (Mining) (University of Pretoria), PGDip (Marketing management) (Unisa), MCom (Business management) (University of Johannesburg), Mine Manager's Certificate of Competency (Coal and metalliferous) (Government Competency Exams)

Other JSE-listed boards: None

Non-executive directors

Isaac Malevu (52)

Non-executive director



Director since 22 June 2021

BCom (Wits), PGDip (Accounting) (University of KwaZulu-Natal), CA(SA), South African Institute of Chartered Accountants member, Senior Executive Programme (London Business School)

Other JSE-listed boards: Industrial Development Corporation

Board nominees for the upcoming 25th AGM

In accordance with the company's MoI, one-third of the non-executive directors are subject to retirement by rotation and re-election by shareholders annually. Eligible directors may offer themselves for re-election.

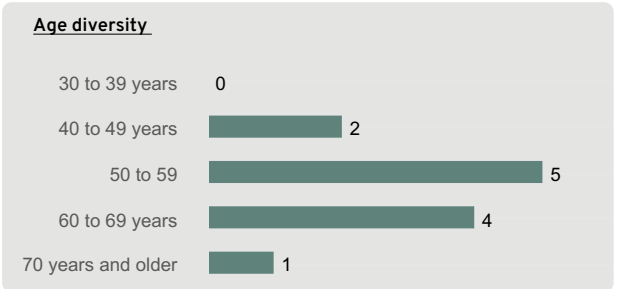
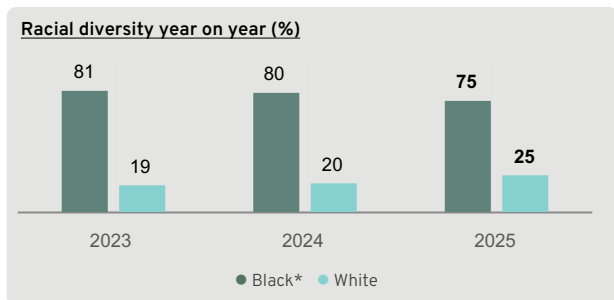
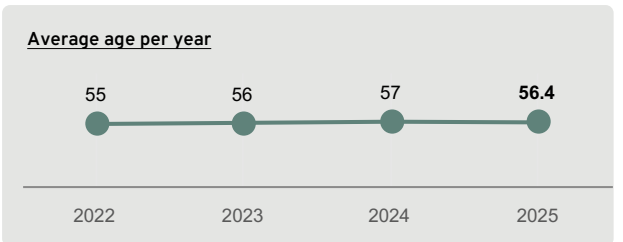
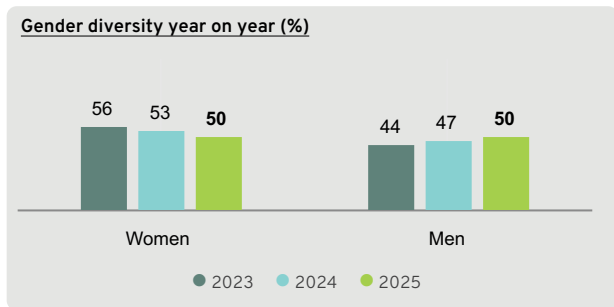
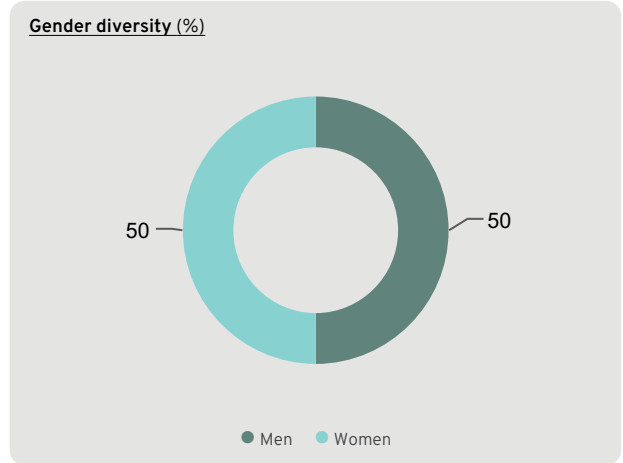
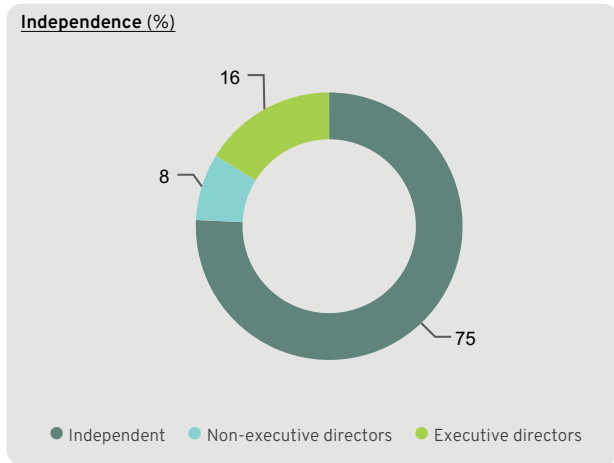
At the AGM, Ms Nondumiso Ketwa, Ms Chanda Nxumalo, Ms Karin Ireton and Mr Peet Snyders, are obliged to retire by rotation, age or tenure, whichever applies. Ms Karin Ireton is obliged to retire due to reaching the age of 70 years in accordance with Exxaro's MoI. Ms Nondumiso Ketwa, Ms Chanda Nxumalo, and Mr Peet Snyders indicated that they are available for re-election. The nomination committee has reviewed the composition, gender, and racial balance of the board and evaluated the independence, performance, and contribution of the directors listed above. In particular, the board considered the independence and ongoing contribution of Mr Peet Snyders, noting that his tenure will exceed nine years from 2026 and that, in accordance with King V, he may not be regarded as independent without a rigorous independence assessment being performed. This assessment, undertaken by the Institute of Directors South Africa (IoDSA), has confirmed the independence of Mr Peet Snyders.

The board will propose the following directors for re-election to shareholders at the upcoming AGM:

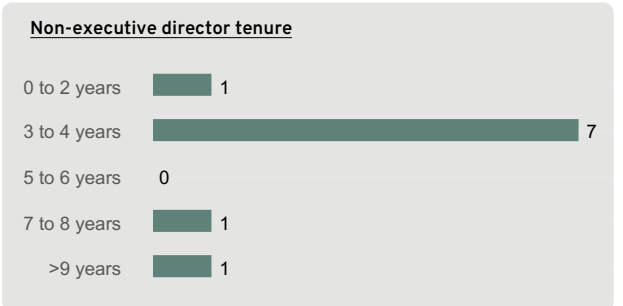
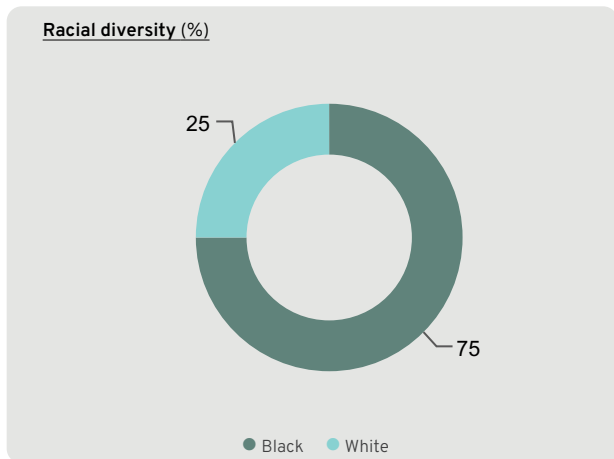
Re-election		Appointed
CJ Nxumalo	Independent non-executive director	1 February 2021
N Ketwa	Independent non-executive director	3 January 2023
P Snyders	Independent non-executive director	1 July 2016

Our leadership continued

Our board of directors as at 31 December 2025



* Black refers to African, coloured and Indian.



Refer to the nomination committee report ([ESG report](#), page 133) for details on how the board applied the diversity policy in the nomination and appointment of directors.

Executive leadership

We maintain our conviction in Exxaro's Sustainable Growth and Impact strategy. In the year ahead, we will focus on meeting customer demand, driving safe, disciplined and efficient production, and creating value for stakeholders.

Refer to the [ESG report](#) for details on our executive committee (page 120).

Ben Magara
CEO

Key
● Executive director
● Executive committee

Riaan Koppeschaar
FD

Caroline Shirindza
Executive head:
coal

Leon Groenewald
Executive head:
energy

Mongezi Veti
Executive head:
sustainability

Neo Monareng
Designate executive
head: sustainability

Johan Meyer
Executive head:
metals

Richard Lilleike
Executive head:
strategy and
business
development

Joseph Rock
Executive head:
people and
performance

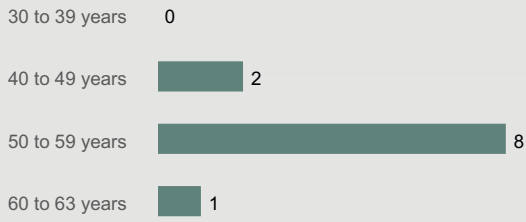
Mervin Govender
Executive head:
technical services

Fortune Ntlhoro
Executive head:
commercial

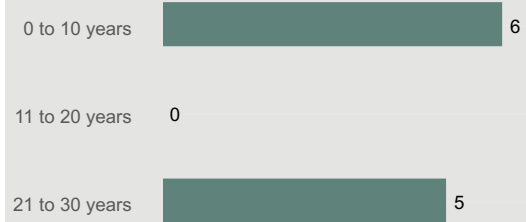
Michelle Nana
Group company
secretary, governance
and ethics

Executive leadership continued

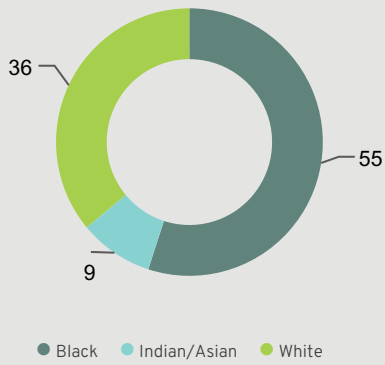
Executive age diversity (an average age of 54.5)*



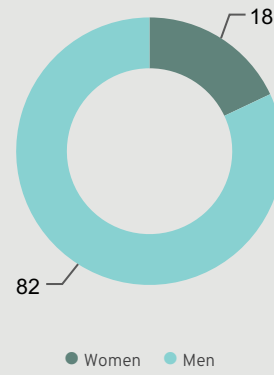
Executive tenure at Exxaro**



Executive race diversity (%)



Executive gender diversity (%)



* Exxaro policy requires all employees, including executives, to retire at the age of 63.
 ** The Exxaro executive team has more than 87 years of combined service since Exxaro's inception.

Summarised governance report

Effective governance underpins Exxaro's ability to create long-term value, ensuring ethical leadership, regulatory compliance and sustainable business practices in a complex operating environment.

Exxaro's board serves as the custodian of good corporate governance, holding ultimate accountability for the group's performance and affairs. It represents and advances the group's legitimate interests while ensuring responsible corporate citizenship.

The board's governance approach is guided by principles that align with King IV governance outcomes, reinforcing Exxaro's purpose to power better lives in Africa and beyond through ethical and effective leadership. Accordingly, our corporate governance reporting is structured under the four desired King IV governance outcomes of:

- Ethical culture
- Performance and value creation
- Adequate and effective control
- Trust, good reputation and legitimacy

King IV advocates for good governance, transparency in leadership and sustainability-driven decision making. Sustainable development is both an ethical duty and an economic necessity, balancing current growth with the needs of future generations. As an integral part of society, Exxaro upholds its corporate citizenship responsibilities by embedding sustainability in our operations and stakeholder engagement. This commitment is reflected in Exxaro's Sustainable Growth and Impact strategy, which ensures long-term value creation while addressing ESG imperatives.

We report on our governance activities across the following areas:

Page Governance and leadership

70 to 73 [Key focus areas and outcomes of material focus areas](#)

74 to 80 [How we deliver the outcomes of good governance](#)

64 to 68 [Demonstrating the balance of knowledge, skills, experience, diversity and independence that supports Exxaro's board in delivering on its governance role and responsibilities objectively and effectively](#)



Refer to the [ESG report](#) (pages 98 to 123).

Board sub-committees

81 to 87 [How our committees support our ability to create value](#)




Refer to the [ESG report](#) (pages 124 to 146).

Remuneration report



Refer to the [ESG report](#) (page 147).

 In line with paragraph 11.38(a) of the JSE Listings Requirements and King IV's recommendation to apply and explain how Exxaro practices good governance, we include our detailed King IV application register on our website as well as in the [ESG databook](#), which sets out each principle with an explanation of steps taken, policies and processes. Our corporate governance reporting is similarly structured under the four desired King IV governance outcomes of ethical culture, performance and value creation, adequate and effective control, and trust, good reputation and legitimacy.

Material themes in focus



Exxaro's board provides attention to the following [material themes](#) (page 60) throughout the year:



Adapting to a changing context



Executing our strategy



Building sustainable communities



Principled governance



Driving business resilience



Responsible environmental stewardship



Enabling a thriving workforce


Board key matters in focus

Strategic direction, risk and performance

Exxaro's Sustainable Growth and Impact strategy requires robust governance to ensure disciplined capital allocation, long-term value creation and responsible stewardship of stakeholder interests. Through active board oversight and clear decision-making frameworks, the group reshaped our portfolio by divesting from non-core assets while directing capital towards priority growth areas. These decisions reflect a governance approach that integrates strategic foresight, risk management and ESG considerations, repositioning Exxaro for resilience, sustainability and relevance in a transitioning economy.

Sustained value creation relies on addressing material social and environmental challenges. Accordingly, our strategy is reviewed annually and submitted to the board for approval.

Following a two-day strategy session (themed "positioning Exxaro to lead") with the management team in June 2025, the board reaffirmed the Sustainable Growth and Impact strategy. The ESG framework continues to shape how this strategy is viewed and monitored. The strategy development and review process follows a risk and opportunity assessment, including emerging risks and material sustainability issues. Our strategic performance management dashboard enables visibility of strategy execution. KPIs are cascaded from the board through sub-committees to facilitate strategic and timely discussions.

 Refer to [risks and opportunities](#) (page 41) for detailed information about our top strategic risks for the year.

Board diversity and independence

In terms of King IV and our directors' nomination and appointment policy, we annually review the structure, size and composition (including the skills, knowledge and experience) of the board and board committees.

The following directorship changes occurred:

Directors	Date
Dr Nombasa Tsengwa	Resigned 5 February 2025
Ben Magara	Appointed CEO 1 April 2025
Mandlesilo Msimang	Resigned 15 September 2025
Zwelibanzi Mntambo	Retired 15 May 2025

The board considered the independence and ongoing contribution of Mr Peet Snyders, noting that his tenure will exceed nine years from 2026 and that, in accordance with King V, he may not be regarded as independent without a rigorous independence assessment being performed. This assessment, undertaken by the Institute of Directors South Africa (IoDSA), has confirmed the independence of Mr Peet Snyders.

 [Board composition, diversity and experience](#) (page 64)

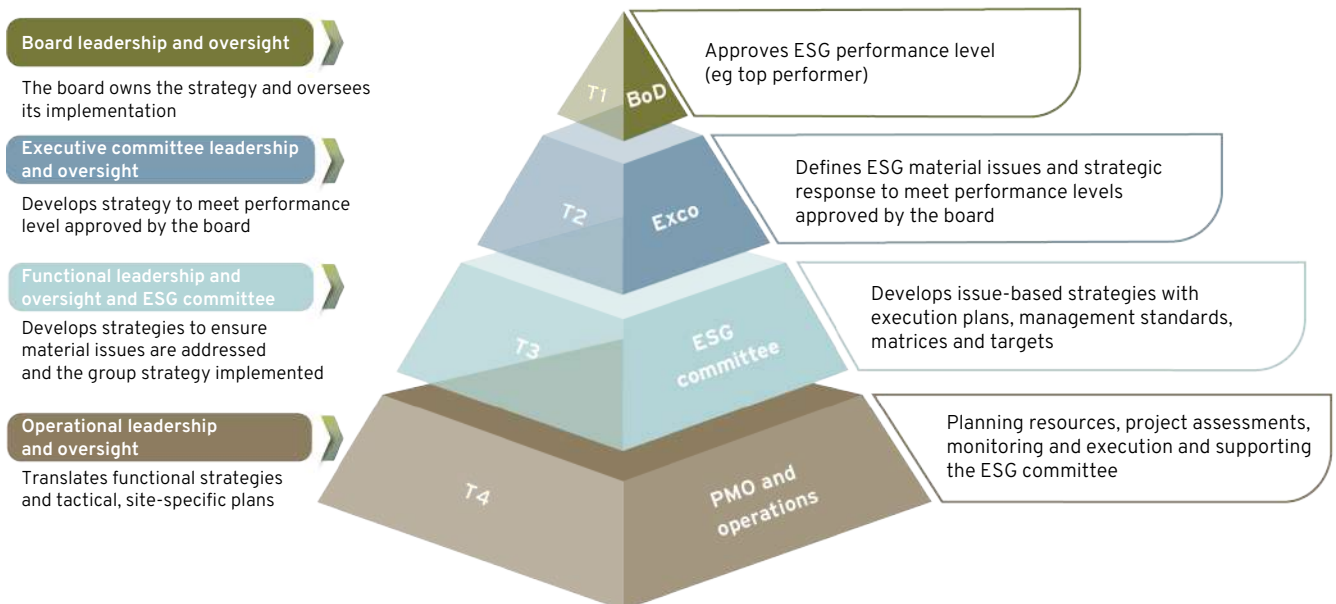
ESG governance

Exxaro integrates ESG considerations into operations through a tiered governance structure (shown below), ensuring alignment with our Sustainable Growth and Impact strategy. The board sets the strategic direction for sustainability, defining committee and individual responsibilities for overseeing ESG-related risks, impacts and opportunities. These responsibilities are embedded in board and committee terms of reference, annual work plans and policies.

While the board sets ESG strategy and performance targets, the executive team is responsible for the implementation, management, and ongoing monitoring of ESG risks and impacts, supported by relevant management structures and committees.

The ESG committee ensures the integration of decarbonisation and other critical ESG factors and is responsible for developing and reviewing an ESG framework policy for board approval.

To reinforce the importance of highlighting ESG in everything we do, all board, committee and executive reports must include an assessment of strategic, financial and ESG-related risks.



2025 key highlights

Management transition

Shareholders were informed on 6 February 2025 of Dr Nombasa Tsengwa's resignation, in terms of paragraph 6.71(b) of the JSE Listings Requirements. A targeted selection process resulted in the board appointing Ben Magara as incoming CEO, effective 1 April 2025. Ben stepped down as an independent non-executive director, succeeding the acting CEO, Riaan Koppeschaar, who continues as FD.

In August 2025, the CEO announced changes to the group management structure to support a growing and diversified portfolio, strengthen business stability and enhance agility, collaboration and responsive decision making. This enables accelerated execution of the Sustainable Growth and Impact strategy.

The restructure included three new appointments namely: executive head: coal, executive head: sustainability (designate) and executive head: commercial.

Governance roadshow

As part of our ongoing investor engagement initiatives, the chairman of Exxaro's board, together with the chairs of the remuneration, RBR and investment committees held Exxaro's 2025 governance roadshow from 29 to 30 September 2025, engaging investors in Cape Town and Johannesburg. This year's roadshow included BlackRock, one of Exxaro's offshore shareholders. At the time of the roadshow, the represented organisations had a cumulative holding of 79.76% in Exxaro shares.

Shareholder discussions focused on seven key themes, with remuneration, CEO/leader transition, strategy and capital allocation, and B-BBEE structure post-2027 leading the discussion.

Progress on Exxaro's vertical and horizontal wage gaps was also discussed, along with the potential impact of the recently promulgated legislative disclosure requirements. The company is confident that work in this area is well advanced and will consider commencing disclosure on the wage gap.

Key challenges

Coal mine dust class action

As reported previously, a coal mine dust class action litigation was initiated against Exxaro on 23 November 2023. The action involves mineworkers who contracted pneumoconiosis caused by exposure to coal mine dust at various Exxaro mines and dependents of deceased mineworkers whose deaths are likely attributable to the disease.

Exxaro completed the Rule 35 discovery process for documents received from the claimants and appointed independent administrative, medical, occupational hygiene and legal experts to support the assessment. Exxaro is defending the certification application and will continue to act in accordance with legal advice.

Exxaro is committed to health and safety, and on the SERC's recommendation, the board approved the revised health and safety policy. Management continues to identify health and safety risks and implement appropriate preventive measures, including medical surveillance programmes and occupational hygiene programmes, to reduce the risk of occupational health diseases across our operations.

Board key matters in focus continued

Governance in action

The below outlines the board's quarterly progress in addressing our material themes to achieve our governance outcomes.

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Material themes
Board engagement	<ul style="list-style-type: none"> First quarter board meeting Approval of year-end results 	<ul style="list-style-type: none"> Second quarter board meeting Annual strategy sessions with executive and management: Positioning Exxaro to lead; Sustainable Growth and Impact strategy 	<ul style="list-style-type: none"> Third quarter board meeting Approval of half-year results 	<ul style="list-style-type: none"> Fourth quarter board meeting Budget review 	
Stakeholder engagement	<ul style="list-style-type: none"> Approved and presented the 2024 financial results, demonstrating resilience in a dynamic industry and reinforcing value creation for stakeholders Approved a dividend of R8.66 per share 	<ul style="list-style-type: none"> New CEO's engagements with investors, unions, and major stakeholders AGM: shareholder election of audit committee and SERC members, auditor appointment, and approval of the remuneration policy and implementation through the non-binding advisory vote 	<ul style="list-style-type: none"> Approved and presented the 2025 interim results, confirming a robust performance and strong financial results Approved a dividend of R8.43 per share Engaged with shareholders and investors during the 2025 governance roadshow Initiated two projects to unify shareholders with unclaimed dividends 	<ul style="list-style-type: none"> Held a two-day investor roadshow 	
Board performance	<ul style="list-style-type: none"> Reviewed directors' declarations of interests Reviewed board and committee performance evaluations from 2024 	<ul style="list-style-type: none"> Reviewed board and committee composition for size, tenure, adequacy, compliance and skills Reviewed performance against DEI targets Noted the light-touch review of non-executive director remuneration benchmarking Reviewed the structure and composition of subsidiary boards in line with a group governance framework 		<ul style="list-style-type: none"> Reviewed the post-2027 BEE structure, considering the promulgation of the draft Minerals Bill that may impact the structure Reviewed non-executive director independence categorisation Conducted internal board performance evaluation interviews Evaluated the performance of the FD and group company secretary, governance and ethics Commenced the board committee performance evaluations Reviewed directors' declarations of interests 	
Continuous development of the board		<p>Governance session:</p> <ul style="list-style-type: none"> Geopolitical landscape JSE debt and specialist security listings requirements Takeover defence manual and Exxaro's defence strategy 	<p>Governance session:</p> <ul style="list-style-type: none"> JSE simplification project Introduction to King V Ethics at Exxaro, including AI Exxaro compliance universe 	<ul style="list-style-type: none"> Reviewed the rehabilitation provisions 	
Safety	<ul style="list-style-type: none"> All meetings commence with a safety moment, monitoring the frequency of safety incidents and occupational health incidents within the organisation and industry 	<ul style="list-style-type: none"> CEO safety summit Launch of Exxaro's strengthened One Voice Safety strategy 		<ul style="list-style-type: none"> Conducted leadership safety days at all sites to ensure VFL Achieved an LTI-free year at flagship mine, Grootegeluk Belfast was recognised as the "most improved mine" for safety by the Mine Health and Safety Industry platform 	
Ethics	<ul style="list-style-type: none"> Monitored, through SERC, the progress of initiatives under the ethics implementation plan 	<ul style="list-style-type: none"> Monitored conflicts of interest reporting and compliance with the gifts and entertainment policy Appointed a chief ethics officer 	<ul style="list-style-type: none"> Implemented an ethics moment at the beginning of all formal meetings Hosted a successful Supplier Ethixx Day Launched the supplier Ethixx pledge 	<ul style="list-style-type: none"> Noted the review of the ethics strategy and key strategic objectives 	

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Material themes
Risk	<ul style="list-style-type: none"> Approved the delegation of authority Approved, through the audit committee, the combined assurance model and proposed audit focus areas for 2025 	<ul style="list-style-type: none"> Considered, together with the audit committee, whether there was any material or reportable risk within the company 	<ul style="list-style-type: none"> Through the RBR committee, considered the strategic and tactical risk profiles, the interconnectedness of risks, and key risk indicators Monitored, through the RBR committee, strategic litigation matters Monitored, through the RBR committee, information management, including public-to-private cloud migration and data integrity post migration Monitored the 2025 cybersecurity roadmap and programme initiatives 	<ul style="list-style-type: none"> The risk committee noted five emerging risks, emphasising the importance of addressing AI Key material matters identified through the comprehensive research and prioritisation process are included in the 2025 ESG and integrated reports 	
Growth performance	<ul style="list-style-type: none"> Approved the due diligence and bilateral engagement for a manganese investment Approved the replacement of 48 Grootegeluk motor control centres over five years at R530 million Approved the Resource and Reserve statement Approved the Cennergi Holdings and G7 Renewable Energies 20-year power purchase agreement for wind power supply from the 140MW Karreebosch windfarm to Northam Platinum 	<ul style="list-style-type: none"> Approved the transformational acquisition of manganese assets for R11.6 billion from Ntsimbitle Holdings and OMH Approved the capital release of funds for the Grootegeluk truck and shovel strategies of R9.3 billion and R2.7 billion, respectively Approved the Leeuwpan turnaround plan, subject to relevant regulatory requirements Supported coal life extension projects Reviewed, through the logistics committee, execution of the logistics strategy and focus areas 	<ul style="list-style-type: none"> Energy and metals pipelines are reviewed quarterly by the investment committee 	<ul style="list-style-type: none"> Approved the divestment of FerroAlloys, supporting a strong coal base, growing energy solutions and growth ambitions in energy transition metals Approved the acquisition of majority interests in two fully operational renewable energy assets: the 138MW Gouda windfarm and the 75MW Sishen solar facility Approved the procurement of 100% of Acciona Energy SA's issued share capital and an 80% stake in Acciona Energy SA's operations and maintenance 	
Environmental sustainability	<ul style="list-style-type: none"> Committed to developing a comprehensive decarbonisation plan to achieve carbon neutrality by 2050 as part of Exxaro's Sustainable Growth and Impact strategy Approved, through SERC, sustainable impact targets for 2025 	<ul style="list-style-type: none"> Signed an MoU with Eskom to collaborate on strategic initiatives, research and projects in air quality and the inclusive transition Reviewed offset plans, including an initiative to rescue Cape vulture nestlings 	<ul style="list-style-type: none"> Noted the progress on the decarbonisation plan and roadmap 	<ul style="list-style-type: none"> Monitored the performance of the Amakhala Emoyeni and Tsitsikamma community windfarms, noting consistent compliance with economic development obligations over the past five years and no termination points Noted no significant environmental incidents at the three windfarms or the LSP 	
Social sustainability	<ul style="list-style-type: none"> Handed over new classrooms and a school hall valued at R7 million at Nelsonskop Primary School in Limpopo as part of ongoing host community upliftment Considered the coal mine dust class action litigation matter filed in 2023 	<ul style="list-style-type: none"> Considered, through SERC, the occupational health management report 		<ul style="list-style-type: none"> SERC held stakeholder engagement days in Modimolle and Lephalale, Limpopo 	

Ethical culture

We aspire to promote a workplace culture that prioritises ethical behaviour across Exxaro and empowers our people to apply an ethical lens in daily decision making and actions.

Exxaro's ethical commitment

In 2025, Exxaro reviewed the ethics strategy and implementation plan to evaluate continued relevance and effectiveness. The review aimed to confirm that the ethics strategy remains fit for purpose in supporting Exxaro's goal of becoming a diversified natural resources champion while fostering a sustainable, resilient and trusted organisational culture. A new strategy was subsequently adopted.

The new strategy reinforces Exxaro's commitment to embedding ethical conduct as a core organisational value. It reflects a culture where ethical considerations guide daily decision making and where employees are empowered and accountable to act with integrity at all levels of the business.

This renewed focus recognises that diversification, growth and increased organisational complexity require a strong, values-driven culture underpinned by ethical decision making.

Ethics governance

The board sets the ethical tone for Exxaro, ensuring that the company operates as a responsible corporate citizen. Through its commitment to ethical and effective leadership, the board fosters a strong ethical culture and positions ethical conduct as the foundation for the group's operations and stakeholder value creation. This commitment is embedded through the group's code of ethics, supporting policies and comprehensive culture programmes.

Exxaro's code of ethics promotes values such as trust, integrity and fairness, guiding our interactions within the company and with stakeholders. As a responsible corporate citizen, the board acts decisively when ethical principles are breached by ensuring that appropriate sanctions and remedial actions are applied consistently while providing clear, strategic direction to management to support long-term sustainable value for shareholders and society.

Ethical conduct is a shared responsibility. Employees are accountable for safeguarding trust and confidence and for doing the right thing, whether required by law or policy or when no one is watching. Sound judgement, integrity and the courage to act in accordance with our values are non-negotiable.

Our management ethics committee ensures that high ethical standards are maintained in Exxaro's business conduct. It is responsible for evaluating all instances of alleged misconduct, including fraud, extortion, bribery, corruption, potential conflicts of interest, violations of the code of ethics and related ethics matters. The committee also oversees anti-fraud and anti-bribery initiatives as part of a comprehensive fraud prevention programme, ensuring compliance with both local and international laws and regulations.

Our values

To support Exxaro's vision of becoming a diversified natural resources champion that creates value for all stakeholders through exceptional people and superior processes, Exxaro's business conduct and that of our employees must be characterised by the following fundamental values:

- Empowered to grow and contribute, enabling every individual to make a meaningful impact
- Committed to excellence, delivering the highest quality of work through continuous improvement
- Teamwork, fostering collaboration and collective success
- Honest responsibility, acting with integrity and consistently doing the right thing

Organisation for Economic Co-operation and Development recommendations on ethical behaviour

Exxaro applies the Organisation for Economic Co-operation and Development recommendations on ethical behaviour through a risk-based due diligence framework covering suppliers, customers, employees and business partners. This framework supports the identification, prevention and mitigation of ethical, legal and human rights risks and reinforces responsible business conduct across the group's operations and value chain.

Ethics management framework

A successful ethics management framework comprises four key elements: ethical leadership; governance structures that set the strategy and policies guiding the organisation's ethical performance; personnel and structures responsible for managing and implementing the organisation's ethics initiatives; and independent assurance, such as internal audit evaluations.

At Exxaro, the board monitors the group's ethical culture through reporting structures, including two board committees (SERC and audit), a management ethics committee, the internal audit function, head of internal audit and our newly appointed chief ethics officer.

Guided by the ethics management strategy, the chief ethics officer is responsible for ensuring that there are appropriate systems, processes and controls to support and sustain integrity across the group. An ethics implementation framework outlines 18 interventions to address three focal areas: ethical culture; governance structures and frameworks; and ethics-related risk mitigation.

These efforts reinforce "The Exxaro Way" – a living set of shared values, beliefs and practices that guide how we do things.

Ethics training and awareness

Exxaro's first intervention in fostering an ethical culture is a targeted ethics training plan that provides tailored awareness and capacity building for employees at all levels. This includes an ethics onboarding module for new joiners, everyday ethics training for all employees and guidance for leaders to demonstrate ethical intent in their decisions and show empathy in their conduct to build legitimacy with stakeholders.

"Mining with morals" training continued in 2025, deepening employees' understanding of ethical decision making and reinforcing a strong speak-up culture across the organisation using interactive case studies. Conflicts of interest awareness also featured prominently on the 2025 agenda, with mandatory training conducted across all sites. This was supported by a digital conflict of interest register and management system, along with a comprehensive review of the conflict of interest policy to ensure alignment with the applicable legal, regulatory and ethical governance standards. Similarly, management and logging of gifts and benefits continued to promote transparency and prevent potential conflicts.

Ethics awareness extends beyond our organisation to our valued stakeholders. On 30 September 2025, Exxaro hosted the inaugural Supplier Ethixx Day under the theme "Ethical partnerships for lasting impact" to engage suppliers on ethical conduct. We believe this is a milestone in our shared journey towards ethical relationships, responsible sourcing and sustainable partnerships.

The Supplier Ethixx Day provided a platform for collaboration, reflection and commitment to the values that define Exxaro's supply chain. At the end of the event, management and suppliers signed a pledge to work 'The Exxaro Way,' reinforcing a shared commitment to building a supply chain founded on ethical conduct.

Fraud and ethics hotline

We encourage employees and stakeholders to report suspected fraud, corruption or human rights violations through our fraud and ethics hotline. The hotline is independently managed, with clear escalation protocols in place. To maintain the hotline's integrity, we protect the interests of disclosing parties as far as possible.

Exxaro fraud and ethics hotline

Free call: 0800 203 3579

Email: exxaro@tip-offs.com

Website: www.tip-offs.com

Board charter and nominations

Our board charter regulates the parameters within which the board operates and ensures that good corporate governance principles are applied in all dealings in respect of the company and group.

The board charter and directors' nomination and appointment policy require that board members are individuals of calibre, integrity and credibility, possessing the requisite skills and experience.

The nomination committee ensures continuity of directorships and is responsible for conducting independent background checks on all proposed candidates, including assessments for potential conflicts of interest, prior to recommending appointment to the board.

The board charter was reviewed and approved in the fourth quarter of 2025.

Family code of conduct

We developed a family code of conduct that sets out 10 principles to clearly define acceptable behaviour encouraged at Exxaro and unacceptable behaviour that we will not tolerate.

Employees are encouraged to speak out on issues of discrimination, harassment and poor leadership without fear of reprisal.

Honesty boxes

Honesty boxes are an additional communication channel for employees to share innovative ideas or unresolved matters of concern that have not been addressed through the existing conflict resolution mechanisms. Formal feedback is provided to individuals who request it, and concerns raised anonymously are addressed through site-specific communication channels.

Avoiding conflicts of interest

In terms of the Companies Act and King IV, directors and prescribed officers have a duty to disclose actual (direct and indirect) conflicts of personal financial interest, or perceived conflicts of interest, including those of related parties. The conflict of interest policy also requires annual declarations from all group employees.

The management of conflicts of interest is addressed through:

- A conflict of interest policy
- A conflict of interest digital register and management system
- A declaration of interest agenda item at the beginning of each formal board, executive, or management meeting
- The inclusion of a summary of Exxaro's conflict of interest disclosure requirements, prohibitions and the definition of related persons in all board and committee packs
- Recusal of any director or attendee who declares a conflict of interest or a personal financial interest for the duration of the relevant matter being considered
- Confirmation by a director or prescribed officer to the group company secretary, governance and ethics, to indicate a personal financial interest in a matter to be decided through written resolution

Exxaro's electronic platform facilitates annual reporting and, workflow approvals, and provides an auditable communication trail for disclosures by directors and employees. This is supplemented by a gifts and benefits register and a director trade register and approval process.



[Conflicts of interest policy and register](#) (reflecting material disclosures in line with the JSE Debt and Specialist Securities Listings Requirements) (our business tab under governance)

Supplier code of conduct

Exxaro's supplier code of conduct assists in selecting suppliers who operate in line with our values. The code communicates our mandatory selection standards to prospective suppliers and promotes commitment to ethical conduct, including respecting human rights.



[Embedding human rights](#) (page 111)

As part of the vetting process, suppliers must disclose details of shareholders, directors and other associates who are current or former employees in compliance with the conflicts of interest policy. Supplier companies connected to any person with a conflict of interest may be red-listed for doing business with Exxaro.

Employees who evaluate requests for proposals or recommend contract awards must declare that they have neither an interest in nor a close relationship with the supplier that may be construed as a conflict of interest.

Supply chain management and vendor risk are further examined through technology-enabled screening, due diligence analysis and audits to identify business relationships and connections that could potentially expose the organisation to conflicts of interest or reputational risk.



[Supplier code of conduct](#) (supplier tab)

Supplier conduct

Our standard operational and capital-related expenditure terms and conditions with suppliers contain specific provisions around sanctions, corrupt practices, fraud and prohibited practices in respect of local and international legislation, including the UN and European Union, which are considered material to the relevant agreement.



[Driving supply chain sustainability](#) ([ESG report](#), page 91)

Action guidelines have been established to address instances where suppliers or service providers are adversely mentioned in the media or where Exxaro becomes aware that a supplier is under investigation or involved in actual or alleged conduct that may bring Exxaro into disrepute. Where a supplier providing critical services is formally charged, Exxaro may issue a holding statement and continue with the existing contractual arrangements, subject to ongoing risk assessment, but will not enter into any new contracts with the supplier.

Political contributions

Exxaro has a formal policy on political funding. In support of a transparent and effective multi-party democracy, any political donations are directed through the Independent Electoral Commission. The last donation was made in 2024.

Anti-bribery and anti-corruption

The board has expressed a zero-tolerance stance on bribery and corruption and approved the group-wide anti-bribery and anti-corruption policy.

To support the board, the SERC is responsible for overseeing the group's ethical performance, including the detection of and response to fraud and corruption. The RBR and audit committees oversee risks, including controls and fraud risks. The SERC receives quarterly reports on forensic investigation statistics and progress on initiatives under the fraud prevention and anti-bribery and corruption programme.



[SERC report](#) (page 87)

Monetary loss from unethical behaviour

The board is satisfied that the group has not suffered any monetary loss from legal proceedings (including fines) associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice or violations of other related industry laws or regulations.

Performance and value creation

Strategic direction

King IV articulates the board's responsibility, which is to steer an organisation strategically in line with its core purpose and values by approving and monitoring informed short, medium and long-term strategies while considering sustainability-related impacts, risk and opportunities.

The board sets Exxaro's short, medium and long-term strategic direction through our Sustainable Growth and Impact strategy. This enables sustainable value creation through the approval of a capital allocation model and budget, as well as setting and monitoring performance and culture expectations and a group governance framework.

The board supports King IV strategy-setting principles through an iterative process. Before executive management presents the strategy to the board, iterative strategy workshops – which follow a bottom-up process – and board governance sessions ensure input is appropriately integrated into the group strategy.

During our annual strategy review process, management demonstrates how sustainability and ESG objectives are integrated into the Sustainable Growth and Impact strategy, including status and progress in our context.

Our integrated medium to long-term decarbonisation roadmap to achieve carbon neutrality by 2050 underwent an independent peer review to confirm its credibility and implementation readiness.

During the year, the board reviewed and was satisfied with the key macro-economic indicators and assumptions used to compile the 2026 budget.


 [Decarbonising our operations and responding to a changing climate](#) (page 114)

Performance monitoring

As part of integrated strategic performance monitoring, prioritised KPIs align with the Sustainable Growth and Impact strategy. This provides forward-looking insights and monitors the execution of our strategy for the board, board committees and group executive committee, in line with our tiered governance approach.

We use a strategic performance monitoring dashboard to report on the achievement of these KPIs, which are cascaded to the various board committees to ensure focused oversight and accountability. For more on our performance, see:


 [Performance against our strategy](#) (page 21)

 How we measure our progress and impact ([ESG report](#), page 16)

Performance targets to support our climate change response

To strengthen GHG mitigation and business resilience efforts, we included water and energy intensity targets in the group-wide group incentive scheme in 2022. Total carbon emissions and energy intensity are also included in Exxaro's strategic performance monitoring dashboard.

Reducing absolute emissions is central to our commitment to achieving carbon neutrality by 2050. We track scope 1 and 2 emissions to measure progress in minimising our carbon footprint, while lower energy intensity reflects improved operational efficiency, supporting our decarbonisation targets and reducing our environmental impact.

 [Decarbonising our operations and responding to a changing climate](#) (page 114)

Business continuity and crisis management

The RBR committee plays a key role in assessing and reviewing the group's business resilience programme and ensuring that appropriate measures are in place for business recovery. The committee is responsible for driving the company's resilience agenda, ensuring that our business continuity strategies align with best practice and regulatory requirements.

Exxaro is committed to building organisational resilience. By maintaining a strong business resilience programme aligned with our ERM programme, we protect stakeholder interests and ensure that we can continue to deliver on our commitments, regardless of challenges.

We continuously review and update our business resilience framework to ensure alignment with best practice and governance standards. The company regularly evaluates the effectiveness of the business resilience programme, making improvements when required.

In November 2025, the RBR committee recommended the crisis management policy to the board for approval.


Strategy-aligned internal reporting


Internal reporting requires management to detail the outcomes of proposed recommendations to the board.

Transparency


The board is committed to clear and comprehensive financial reporting and disclosure, as well as constructive shareholder engagement, including transparency of activities and performance. It ensures that reports issued by the company enable stakeholders to make informed assessments of the group's performance and our short, medium and long-term prospects.

Assurance

 Refer to the assurance report ([ESG report](#), page 175) for details on assurance of key sustainability information.

 Refer to [combined assurance for effective governance](#) (page 88) for details on our combined assurance approach.

Creating value for our stakeholders

 For more on how Exxaro created value for our stakeholders, including government, employees, communities, investors and customers, refer to [our stakeholders](#) (page 54).

Adequate and effective control

Group governance framework

A robust governance framework enables the execution of governance responsibilities at all levels of the organisation.

The group governance framework applies to Exxaro Resources Limited and all our subsidiaries, including entities where Exxaro exercises control. It guides the application of governance practices at group, subsidiary and operational levels, ensuring that governance arrangements align with Exxaro's values and risk profile.

This framework is fit for purpose for Exxaro as a South African listed group with significant and geographically diverse operations. It supports Exxaro's listing on the JSE by explaining how the group board executes its direction and oversight responsibilities, and what it expects from subsidiary boards.

The framework establishes the minimum group-wide governance requirements each entity must comply with to ensure that the group meets Exxaro's governance obligations. Each entity's board is responsible for discharging its fiduciary duties at the individual entity level. Achieving the intended outcomes of the group governance framework requires appropriate governance structures and behavioural and cultural alignment across the group.

Exxaro's governance approach is grounded in accountability, transparency, fairness and responsibility, reflecting the group's commitment to ethical leadership and sustainable value creation. It is informed by King IV and international best practice and adopts an integrated approach that balances compliance obligations with performance objectives.

Management reviewed the group governance framework, which is scheduled for submission to the board for approval in 2026.

Delegation of authority

The delegation of authority policy and framework define the limits of authority designated to specific positions of responsibility in the company and the group's management structure. They also define commitments and transactions that may include capital amounts approved by individuals on our behalf. Final approval of commitments and transactions outlined in the policy must always be made by parties with designated authority.

In 2025, the group's delegation of authority policy and framework were reviewed through consultations with executive heads and key stakeholders across the group. These engagements assessed current delegations and accountabilities, with feedback used to refine authority levels, clarify responsibilities under the new management structure and align the framework with Exxaro's governance principles and operating model.

In November 2025, following the recommendation of the RBR committee, the board approved the revised delegation of authority policy and framework.

The board is satisfied that the delegations in place contribute to role clarity and the effective exercise of authority and responsibilities.

Board's access to information

The board charter guides directors and executive management on the information to be shared with the board. The onus remains on each director to advise the chairperson and/or CEO should they believe that the information provided is insufficient for informed decision making.

The board has unrestricted access to all company employees, information, records, documents and property. A process to guide directors is provided should they require access. The board, in carrying out its tasks, may obtain outside or other independent professional advice it considers necessary, with the board charter setting out the required protocols for such requests.

Board committees

Exxaro's corporate governance structure supports our ability to create value in the short, medium and long term. Through this structure, the board exercises effective control and safeguards the organisation's reputation and legitimacy. Good corporate governance is the responsibility of our board, executive management, senior management and all employees.

Board committees enhance efficiency by providing focused expertise on specific areas, allowing the board to address a broader range of issues. When used effectively, committees enhance the objectivity of the board's judgement. To facilitate the execution of its functions, the board delegates activities to board committees through formal terms of reference.

The board retains full and effective control of business and company affairs and does not assume management functions, which remain the responsibility of the executive directors, prescribed officers and other senior management.

Chairpersons

The chairpersons of the board committees consult regularly to collaborate on areas of shared responsibility, activity and interest across the different committees.

Terms of reference

The board approved its committees' terms of reference and annual work plans in November 2025, and the 2026 key focus areas in the first quarter of 2026.

Board confirmation

The board confirms that it is satisfied that the board committees executed their roles and responsibilities. In this regard, the board confirms that the audit committee executed the responsibilities set out in paragraph 5.7(h) of the JSE Listings Requirements.

Adequate and effective control continued

Subsidiary companies

The board recognises the statutory and fiduciary duties of directors of subsidiary companies. Directors must always act in the best interest of the subsidiary company, irrespective of their nomination by the company in its capacity as the holding company. If a conflict arises between a director's duties to a subsidiary company and the interests of the holding company, the director's duties to the subsidiary company prevail.

The group governance framework mitigates potential tension between the holding company and subsidiary boards. Subsidiary directors must adhere to the framework and adopted group policies, however, this does not absolve them from exercising their fiduciary duties. Directors who breach their fiduciary duties may be held liable under section 77 of the Companies Act. This responsibility is clearly articulated to all subsidiary directors.



[Ownership structure](#) (page 13)

Group-wide control functions

The group control and oversight functions are responsible for providing enterprise-wide oversight of operational management and integrated reporting. Our group control and oversight functions include:

- Governance and reporting
- Corporate secretariat
- Risk management
- Compliance management
- Legal
- Strategy
- Internal audit and assurance
- Finance (as it relates to financial compliance and tax)

The board is responsible for overseeing the effectiveness of these oversight functions and ensuring an effective internal control environment within the group.

Integrated ERM

The board plays a proactive role in overseeing our ERM processes, ensuring that risks which could impact our strategic objectives are carefully monitored and managed. Our strategic risk register is regularly updated to accurately reflect Exxaro's current risk exposures and to outline the mitigation actions taken to address identified risks. The strategic risk profile, which outlines the group's key risks – along with Cennergji's top risks – is reported quarterly to the RBR committee and the board.

We continuously review and update our ERM framework to ensure it remains aligned with evolving governance standards and regulatory requirements. The company regularly evaluates the framework's effectiveness, making improvements where necessary.



[Risks and opportunities](#) (page 41)

Technology and information management

The board governs technology and information management to support the organisation in setting and achieving its strategic objectives.

The board mandated the RBR committee to oversee Exxaro's information management strategy, including governance, the integration of the improvement programme's direction and objectives, and alignment with the enterprise business strategy, governance framework and risk management.

In addition to the RBR committee's oversight, the audit committee is responsible for ensuring adequate information management governance.

Our governance structures are supported by key ICT policies that guide the use, management and security of technology across the organisation. The board reviewed and approved the acceptable use of ICT systems and services policy and security policy to ensure they remain aligned with current regulatory requirements, risk considerations and evolving operational needs.

Information management risks

Information management risks and mitigation measures are monitored continuously, including assessment of emerging risks, and reported to the RBR committee quarterly.

Cybersecurity remains a material risk in the organisation due to the rapidly changing threat landscape. We enhanced our cybersecurity posture through targeted improvement initiatives, and the enterprise information management risk register was reviewed and refreshed to ensure emerging cyber and technology risks are actively managed. Several cybersecurity awareness campaigns were held across the organisation to reinforce employee awareness and encourage safer digital behaviours, recognising that informed employees are a critical line of defence against cyber threats.

Information management disaster recovery

Disaster recovery preparedness remains a priority. Continuous testing is conducted to ensure that critical systems and services can be effectively restored in the event of failure, thereby enhancing organisational resilience and continuity.



Beyond compliance culture

The group is committed to:

Maintaining high standards of integrity, professionalism and ethical behaviour in our relationships

Conducting our business in adherence to statutory, supervisory and regulatory requirements

Complying with the letter and spirit of the law and regulations governing our conduct by ensuring the organisation acts with due skill and diligence

While we ensure compliance with relevant regulatory requirements in our jurisdictions, the law serves as a minimum standard of conduct, building a culture beyond complying with the law at all levels.

Our compliance philosophy is captured in a board-approved group compliance policy, which supports ethical and responsible corporate citizenship and seeks to create sustainable value for all stakeholders by promoting operational efficiency, growth and regulatory compliance with applicable laws. The group compliance policy was approved by the board in 2025.

The board is responsible for ensuring that the group and our employees comply with all applicable laws and regulations and considers non-compliance a key risk. Accordingly, the board delegated responsibility for managing Exxaro's compliance risks to the RBR committee.

The RBR committee is responsible for:

- Overseeing regulatory compliance risks, policies and frameworks
- Monitoring compliance with agreed policies, national and international protocols and procedures on non-financial aspects in collaboration with the SERC
- Ensuring compliance is continuously monitored and reported by management, external audit and internal audit

The FD is responsible for providing a compliance and regulatory compass to the group by promoting a culture of compliance and regularly reviewing the regulatory environment.

Optimised combined assurance

Exxaro applies a combined assurance model, while fostering a strong ethical climate and effective compliance mechanisms.



Read [combined assurance for effective governance](#) (page 88) for details on our combined assurance approach

We remain committed to continuously enhancing our combined assurance process to ensure it remains effective, adaptive and aligned with emerging risks and best practices. Through ongoing evaluation and collaboration among assurance providers, we strive to strengthen our oversight and risk management framework, fostering a culture of transparency and accountability.

The audit committee is responsible for overseeing the use of the combined assurance model to achieve the following objectives:

- 1 Enabling an effective internal control environment
- 2 Ensuring the integrity of information used for decision making by management, the board and its committees
- 3 Supporting the integrity of external reports

Combined assurance forum

The combined assurance model, based on the five lines of assurance, functions through the combined assurance forum. The forum coordinates assurance for our risk exposure, as identified and ranked by the risk management function and aligned to King IV recommended practices for assurance. The forum's activities and outcomes of assurance reports are presented quarterly to the audit committee.

Combined assurance plan

The combined assurance plan's focus areas align with the group's strategic risk profile, with input from assurance providers. The plan considers the assurance level provided in giving the audit committee and board confidence regarding the effective functioning of the internal control environment. Executing the assurance plan ensures the audit committee receives the assurance required to assess the effectiveness of the risk management function and the control environment.

Overdue and repeat findings

Exxaro uses an issue tracking management system to capture and track the status of audit findings. This enables visibility and accountability when addressing identified control weaknesses. All overdue and repeat findings are reported at each audit committee meeting.

Internal audit

Exxaro's internal audit function is partially outsourced to the PwC consortium under the management control of Exxaro's head of internal audit. The internal audit function's responsibilities are detailed in the internal audit charter, which the audit committee reviews and approves annually. The charter informs the role and scope of work of the internal audit function.



[Audit committee report](#) (page 81)

Independence of audit and assurance functions

To ensure the independence of our audit and assurance functions, the following measures are in place:

- We appointed KPMG as our independent external auditor, along with its service delivery partner, AM PhakaMalele (approved by shareholders at the AGM on 15 May 2025 through a separate resolution of shareholders in terms of the JSE Listings Requirements paragraph 5.7(h)(iv))
- Under the management of Exxaro's head of internal audit, PwC and its service delivery partner, Ngubane Management Consultants Proprietary Limited, have been providing internal audit services since 1 July 2022
- In 2021, the group adopted a framework for engaging auditors to supply non-audit services. In alignment with the policy, we confirm that KPMG does not provide advisory and tax services to its audit clients
- Our group governance framework confirms the internal audit function as an independent control function across the group
- The head of internal audit reports directly to our audit committee and is administratively overseen by the CEO

Board statement

The board and audit committee are satisfied with the effectiveness of controls for the year ended 31 December 2025. This conclusion is supported by a formal combined assurance model, which is designed to optimise the assurance obtained from management, internal audit, external audit and other assurance providers.

The combined assurance approach enables a coordinated and integrated assessment of significant risks and controls, enhances assurance coverage and supports the integrity of the group's reporting. Based on the results of the combined assurance processes and the information presented, the board and audit committee did not identify any material breakdowns in the system of internal control during the reporting period.

Trust, good reputation and legitimacy

JSE compliance certificate

The board considered the JSE compliance certificate for the reporting period, confirming the company's compliance with the JSE Listings Requirements, Debt and Specialist Securities Listings Requirements, and every disclosure requirement for continued listing on the JSE imposed in 2025. The required compliance certificate is submitted annually to the JSE through the group's sponsors.

Integrity in reporting

The board ensures the integrity of the company's integrated report and its alignment with best practice in integrated reporting, including other reporting by the company. It also 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.

No insider dealing

The RBR committee reviewed the company's insider dealing policy in 2025 to ensure it complies with the JSE Listings Requirements, Financial Markets Act, 2012 (Act 19 of 2012) and Companies Act, and aligns with the company's code of ethics. The policy applies to directors, prescribed officers, employees and consultants.

The insider dealing committee provides guidance and clarity to employees and directors on insider trading, price-sensitive information and prohibited or closed periods.

We provide online training via the MyNexxt platform to directors, prescribed officers, employees and consultants to ensure an in-depth understanding of the policy, regulatory environment and controls.



[Stock Exchange News Service announcements](#)

The board is satisfied that the controls in place ensure regulatory compliance.

Sponsors

The company's lead equity and debt sponsor, Absa Bank Limited, and joint equity sponsor, Tamela Holdings Proprietary Limited, perform the continuing obligations in connection with Exxaro's listing on the JSE. The board is satisfied that the sponsors executed their mandate with due care and diligence in 2025.

Stakeholder inclusivity

Exxaro's board applies a stakeholder-inclusive approach in accordance with King IV, supporting governance outcomes, including ethical culture, sustainable performance, effective control and organisational legitimacy.

The legitimate and reasonable needs, interests and expectations of material stakeholders are considered through structured engagement processes and monitored via prioritised stakeholder and ESG-related KPIs, which are incorporated into the group's strategic performance dashboard.

Oversight of these KPIs is delegated to the relevant board and executive committees, enabling focused monitoring, accountability and transparent disclosure of stakeholder relationship management outcomes.



[Our stakeholders](#) (page 54)

Responsible corporate citizenship

The board ensures Exxaro's strategy and conduct reflect our purpose of powering better lives in Africa and beyond, and to be a responsible corporate citizen in giving effect to our purpose.

Exxaro is an integral part of society, and, as such, the board ensures the company's efforts to be a responsible corporate citizen. This includes compliance with the South African Constitution (including the Bill of Rights), the law, leading international and national standards, and our codes of conduct and policies.

The board exercises independent judgement in overseeing management and safeguarding the interests of all stakeholders, including our shareholders. In fulfilling its stewardship role, the board seeks to instil and foster a corporate environment founded on integrity and provide management with sound guidance in pursuit of long-term stakeholder value, ensuring that the company offers sustainable value to society as a whole.

Governance

It is the SERC's role to entrench responsible corporate citizenship as part of its focused activities. The committee's roles and responsibilities include overseeing the impact of the group's activities and outputs on our status as a responsible corporate citizen in:

- The economy: economic transformation and prevention, detection and mitigation of fraud and corruption
- Society: public health and safety, consumer protection, community development and protection of human rights

Commitments

Fundamental to Exxaro's purpose of powering better lives in Africa and beyond is our stance that all people have inherent fundamental human rights, regardless of their differences. As such, Exxaro is committed to respecting and upholding human rights for all people within our sphere of influence, where the company has the power to effect investment and development.



[Embedding human rights in our business](#) ([ESG report](#), page 94)

Exxaro remains committed to supporting the 10 principles of the UNGC. These principles are embedded in our Sustainable Growth and Impact strategy, values, operations and stakeholder engagements, reinforcing our commitment to uphold them. Exxaro's voluntary participation in the UNGC advances the case for responsible business practices and encourages our stakeholders to do the same. It holds us accountable to a global standard as we strive to become a catalyst for economic growth and environmental stewardship.

Health and safety

The importance of workplace safety receives focused attention at each board, board committee and executive committee meeting. This is achieved through a standing safety moment on all agendas, allowing for reflection and reporting.

In addition to the SERC's mandate, the RBR committee is responsible for reviewing health and safety risks and focuses on reported HPIs and LTIs. The SERC monitors occupational health and notes the processes that may detect potential deterioration of certain organs and assist in reversing some diseases.



[Human capital](#) (page 105)

Committee reports

Audit committee

Composition as at 1 April 2026

Chairperson	Members	Number of meetings held in 2025
Nondumiso Ketwa	<ul style="list-style-type: none"> Billy Mawasha Nosipho Molohe Chanda Nxumalo 	5 scheduled 1 special



Audit committee report ([ESG report](#), page 125)

Role and purpose

The committee is an independent, statutory committee whose members are appointed annually by Exxaro's shareholders in compliance with section 94(2) of the Companies Act and the principles of good governance. In terms of the Companies Act, this committee has an independent role with accountability to the board and shareholders of the company. The committee does not assume management functions, which remain the responsibility of the executive directors, prescribed officers and other members of senior management, nor does it assume accountability for the functions performed by other committees of the board. In addition to the Companies Act, the committee's duties are guided by paragraphs 5.7(g) and (h) of the JSE Listings Requirements and King IV.

The committee is governed by its terms of reference that codify its role and responsibilities. To assist the board, the committee plays an essential role in providing independent oversight of the:

- Quality and integrity of the financial statements and related public announcements
- Integrity of the integrated reporting process and content of the reporting suite
- Scope and effectiveness of the external audit process
- Qualification and independence of the external auditor
- Scope and effectiveness of the external audit function
- Scope and effectiveness of the overall combined/integrated assurance process
- Efficacy of internal controls and the internal audit function
- Assessment of the adequacy of Exxaro's insurance arrangements regarding the nature of our business and insurable risks
- Integrity and efficacy of the risk management process relating specifically to internal controls and financial reporting risks through assurance over system controls and policies in place
- Compliance with legal and regulatory requirements to the extent that these might have an impact on financial statements

Terms of reference

The committee's terms of reference are reviewed and approved annually by the board.

The November 2025 review ensured alignment of the terms of reference with the current status of the business. As King V was implemented on 31 October 2025, any changes required to align the terms of reference with King V will be presented to the committee in the first quarter of 2026.

Confirmation

The committee is satisfied that it has discharged its responsibilities and fulfilled its mandate in accordance with its terms of reference, the Companies Act, the JSE Listings Requirements (paragraph 5.7(h)) in particular) and King IV.



2026 focus areas

- Monitor the progress and implementation of the strategy for deploying new post-modern enterprise resource planning solutions to ensure acceptable cost and risk, and alignment with Exxaro's strategy
- Evaluate whether the company has incorporated digitalisation and utilisation of advanced technologies, eg AI
- Review Exxaro's future strategy on insurance cover and self-insurance, considering global resistance to thermal coal and insurance markets
- Monitor the impact of cybersecurity risks in the finance function and internal control environment
- Financial integration of manganese and energy assets acquisitions


Logistics committee

Composition as at 1 April 2026

Chairperson	Members	Number of meetings held in 2025
Isaac Malevu	<ul style="list-style-type: none"> • Dr Phumla Mnganga • Mvuleni Geoffrey Qhena • Peet Snyders 	3

Changes

From 1 April 2025, Ben Magara stepped down as committee member. However, as CEO, he holds a standing invitation to attend the committee's meetings.

 Logistics committee report ([ESG report](#), page 131)

Role and purpose

Early in 2023, the board established an ad hoc board committee to address the threat of rail capacity unavailability to Exxaro's strategy. The logistics committee was subsequently confirmed as a permanent committee of the board.

The role of the logistics committee is to monitor and report on the development of long-term solutions for logistic access to international markets, identification of medium-term solutions and alternatives.

The committee operates independently and makes recommendations to the board, monitors on behalf of the board and reports to the board on mainly:

- Developing long-term solutions for logistics to access international markets for coal and metals
- Identifying medium-term logistics solutions and alternatives to mitigate TFR issues to increase volumes

Terms of reference

The committee's terms of reference are reviewed and approved annually by the board. The November 2025 review ensured alignment with the current status of the business.

King V was implemented on 31 October 2025. Any changes required to align the terms of reference with King V will be presented to the committee in the first quarter of 2026.

Confirmation

The committee, in carrying out its duties, has due regard to its terms of reference and the principles and recommended practices of King IV. The committee is satisfied that it has considered and discharged its responsibilities.



2026 focus areas

- Oversee the development and review of long-term logistics solutions to access international markets
- Monitor the identification and review of medium-term logistics solutions to mitigate TFR risk and increase exports
- Advance power supply project request for proposal readiness by leveraging the independent technical assessment outcome and translating outputs into a clear restoration and upgrade scope, capex baseline and concession-ready design
- Progress consortium formation through MoUs with freight players
- Deliver the critical 2026 focus by securing internal alignment and engaging key government stakeholders to position Exxaro as a credible early-stage partner
- Advance coal corridor programme participation by identifying collaboration projects and aligning with Transnet on collaboration principles and Transnet rail infrastructure management-style, customer-funded models
- Prepare for manganese integration into the Logistics Programme and strengthen Exxaro's positioning with Transnet and Transnet rail infrastructure management as a potential top-tier rail player


Nomination committee

Composition as at 1 April 2026

Chairperson	Members	Number of meetings held in 2025
Mvuleni Geoffrey Qhena	<ul style="list-style-type: none"> Geraldine Fraser-Moleketi Dr Phumla Mnganga Billy Mawasha 	<p>3 scheduled</p> <p>2 special</p>

Changes

On 15 May 2025, Zwelibanzi Mntambo retired. Billy Mawasha was appointed on 5 June 2025.

 Nomination committee report ([ESG report](#), page 133)

Role and purpose

In line with the JSE Listings Requirements, the committee is constituted as a committee of the board in terms of the Companies Act, the company's Mol and King IV. The committee is governed by its board-approved terms of reference which set out its role and responsibilities.

The main purpose of the committee includes to determine and evaluate the adequacy, efficiency and appropriateness of the group governance structure, practices and processes.

The committee's areas of responsibility include:

- Reviewing the board composition and additional criteria
- Succession planning for board and senior management
- Board performance evaluation
- Board induction and training
- Oversight of group corporate governance and statutory compliance

Terms of reference

The committee's terms of reference are reviewed and approved annually by the board. The November 2025 review ensured alignment with the current status of the business. King V was implemented on 31 October 2025. Any changes required to align the terms of reference with King V will be presented to the committee in the first quarter of 2026.

Confirmation

The nomination committee, in carrying out its respective duties, duly regarded the principles and recommended practices of King IV. The committee is satisfied that it has considered and discharged its responsibilities in accordance with its terms of reference.



2026
focus areas

- Monitor the framework for a future optimal board structure and size to support Exxaro's strategy
- Continue to oversee director induction and ongoing director development
- Monitor board and executive leadership succession planning
- Consider 2025 board internal assessment outcomes and recommend matters for continuous improvement
- Report on annual board governance roadshow outcomes and oversee matters for implementation


Remuneration committee

Composition as at 1 April 2026

Chairperson	Members	Number of meetings held in 2025
Dr Phumla Mnganga	<ul style="list-style-type: none"> Geraldine Fraser-Moleketi Billy Mawasha Mvuleni Geoffrey Qhena 	4 scheduled 1 special

Changes

On 15 May 2025, Zwelibanzi Mntambo retired. Billy Mawasha was appointed on 5 June 2025.

 Remuneration committee report ([ESG report](#), page 136)

Role and purpose

This committee's role and responsibility is to ensure the group remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term. It also ensures the continuous development, review and implementation of remuneration governance-related documents, including compliance with paragraph 5.7(g) of the JSE Listings Requirements and reporting obligations.

The committee is accountable to the board for executing its independent and objective oversight. The committee does not assume the functions of management, which remain the responsibility of executives, prescribed officers and other members of senior management, nor accountability for the functions performed by other board committees.

Where board committee focus areas overlap with this committee's focus areas, committees collaborate to execute the board's broader effectiveness objective. For example, in support of the DEI strategy execution, as it applies to fair pay or application of mechanisms to achieve and exceed employment equity.

Terms of reference

The committee's terms of reference are reviewed and approved annually by the board. The November 2025 review ensured alignment with the current status of the business.

King V was implemented on 31 October 2025. Any changes required to align the terms of reference with King V will be presented to the committee in the first quarter of 2026.

Confirmation

The committee acknowledges that remuneration continues to be managed within the context of Exxaro's remuneration principles, policy and other guidelines, which enable sound governance and fair and responsible pay. The committee is satisfied that everything it committed itself to for 2025 has either been successfully completed or is on track.



- Implement the LTI plan with revised performance conditions, and finalise and implement the deferred bonus scheme
- Complete the redesign of the employee share ownership plan and Cennergi LTI schemes
- Implementation of the revised STI metrics
- Review and update the minimum shareholding requirement policy
- Develop a remuneration framework for corporate actions
- Review and implement selected enhancements to employee benefits and related policies
- Continue monitoring vertical and horizontal wage gap trends
- Align and refine the energy business incentive schemes
- Review and align the manganese business remuneration portfolio

Risk and business resilience committee

Composition as at 1 April 2026

Chairperson	Members	Number of meetings held in 2025
Peet Snyders	<ul style="list-style-type: none"> • Karin Ireton • Nondumiso Ketwa • Chanda Nxumalo • Isaac Malevu 	4

Changes

Following Ben Magara's appointment as CEO on 1 April 2025, he stepped down as a committee member but has a standing invitation to all meetings as the new CEO. To ensure adequate succession and continuity of knowledge, Isaac Malevu was appointed as member of the committee on 5 June 2025. Mandlesilo Msimang resigned on 15 September 2025.

RBR committee report ([ESG report](#), page 139)

Role and purpose

The committee is a board committee in terms of section 72 of the Companies Act, the company's MoI and King IV. The committee's role is as follows:

Risk management

The committee's primary role is to implement an effective policy and plan for risk management that will enhance the group's ability to achieve its strategic objectives and to ensure that risk disclosure is comprehensive, timely and relevant. Risk management is effected by the board, management and other personnel. It is applied in strategy setting and across the group, and is designed to identify potential events that may affect the organisation, manage risks to within its risk appetite, and provide reasonable assurance regarding the achievement of the organisation's objectives. Risk governance involves the structures and mechanisms within the organisation that guide the decision making and implementation processes related to managing risks.

The committee is responsible for reviewing the ERM process, including key risks facing Exxaro and the responses to address these risks. It maintains a particular focus on:

- Strategic risks
- Financial risks (technical debate on managing financial risk will take place at audit committee meetings but financial risks are part of the overall enterprise risk register, over which this committee has oversight)
- Operational risks
- Regulatory compliance risks

Business resilience

Business resilience is the ability of an organisation to adapt in a changing environment to enable it to deliver its objectives, survive and prosper. Risk, incident, crisis and BCM are among the four key elements of business resilience. The role of the committee is to oversee the appropriateness of Exxaro's crisis response plans and frameworks.

Terms of reference

The committee's terms of reference are reviewed and approved annually by the board. The November 2025 review ensured alignment with the current status of the business.

King V was implemented on 31 October 2025. Any changes required to align the terms of reference with King V will be presented to the committee following a gap analysis.

Confirmation

The committee is satisfied that it has discharged its responsibilities and fulfilled its mandate in accordance with its terms of reference, the Companies Act and King IV.



2026 focus areas

- Monitor the class action served on Exxaro in November 2023 and its impacts on the group as a responsible corporate citizen, while ensuring preventive measures regarding occupational diseases are properly implemented
- Oversee the implementation of the water management plan at all Exxaro mines, including closed mines, and any plans to mitigate these, including an update to the groundwater analysis model to include climate change impact on operations and water sources
- Ensure effective plans are in place based on the impact of business disruption (plans are up to date and no significant incidents occurred that led to business disruption)
- Review Exxaro's risk appetite
- Review Exxaro's key compliance risks related to licence to operate
- Recommend appropriate predictive and proactive reporting and engagement with stakeholders (including the IR) based on key risks
- Oversee the implementation of the revised governance of technology and information plan, ensuring technology and information risks are appropriately incorporated to support strategy delivery and business resilience
- Oversee digital transformation, including AI
- Review business resilience key elements to ensure business strategy compliance
- Oversee implementation of the decarbonisation plan
- Oversee the risks related to acquisitions and diversification

Social, ethics and responsibility committee

Composition as at 1 April 2026

Chairperson	Members	Number of meetings held in 2025
Geraldine Fraser-Moleketi	<ul style="list-style-type: none"> Karin Ireton Dr Phumla Mnganga Nosipho Molope Peet Snyders 	4

Changes

Prior to 1 February 2025, the CEO and FD were members of the committee.

 SERC report ([ESG report](#), page 143)

Role and purpose

The committee's mandate derives from the company's commitment to proactively manage its economic, environmental and social impacts, and the public interest, in addition to those laid down in section 72(4) of the Companies Act, read with Regulation 43, the Mol, paragraph 5.7(g) of the JSE Listings Requirements and King IV.

The company recognises that it forms part of an interrelated community and, as such, may have positive and negative impacts on public interest and the global goal of sustainable development. The board has primarily entrusted the committee to oversee the company's impact on public interest and its ethical performance. It ensures compliance with Exxaro's statutory duties and oversees that the core purpose and values, strategy and conduct are aligned with the group's responsible corporate citizenship.

The committee oversees the company's ethics regarding business practices, its relationships with employees, other stakeholders and the natural environment. It also assists the board by monitoring the group's achievement of its shared sustainability goals and has oversight of stakeholder management and ethics management. As part of its responsibility mandate, the committee has oversight of how the company impacts planet, people and prosperity.

Terms of reference

The committee's terms of reference are reviewed and approved annually by the board. The November 2025 review ensured alignment with the current status of the business.

King V was implemented on 31 October 2025. Any changes required to align the terms of reference with King V will be presented to the committee in the first quarter of 2026.

Confirmation

The SERC is pleased to confirm that, in carrying out its duties, it regarded King IV principles and recommended practices, and discharged its responsibilities in accordance with its terms of reference and the Companies Act. Beyond mere compliance, the committee is also satisfied that it has fulfilled its non-statutory mandate and that there are no material instances of non-compliance to disclose. If any material non-compliance existed, it was duly considered during the year in review.

2026 focus areas

- Continue to monitor the coal mine dust class action litigation filed against Exxaro in November 2023 to ensure our conduct aligns with being a responsible corporate citizen
- Monitor the progress on the decarbonisation roadmap to support Exxaro's strategy to decarbonise and build resilience to the impacts of climate change
- Monitor and review ongoing anti-bribery and anti-corruption programme implementation, ensuring an ethical culture, respect for human rights and the effectiveness of whistleblowing mechanisms
- Continue to oversee the implementation of the DEI strategy, including the ESD programme, in support of the overall Exxaro strategy as a key business value driver
- Ensure stakeholder engagement sessions occur within the communities that Exxaro and its subsidiaries operate
- Oversee sustainability-related disclosures in line with IFRS Sustainability Disclosure Standards
- Continue to oversee the implementation of employment equity plans as approved in 2025
- Continue to oversee the refresh of Exxaro's culture transformation journey
- Continue embedding action plans from the culture and engagement surveys
- Monitor the implementation of the ethics strategy, which seeks to embed ethics across Exxaro

Combined assurance for effective governance

The board, supported by the audit committee, is ultimately responsible for Exxaro's system of internal controls, which were designed to evaluate, manage and provide reasonable assurance against material misstatement, loss and the failure to achieve strategic objectives. The system of internal controls supports the integrity of internal decision making and external reporting.

In line with King IV Principle 15, Exxaro applies a combined assurance model based on a five lines of defence approach to optimise assurance from management, internal functions and independent external providers. This approach promotes effective governance, supports a strong ethical culture, and strengthens mechanisms to ensure regulatory compliance and control effectiveness.

Using the board-approved ERM framework, management identifies and assesses the key risks facing the group and implements appropriate internal controls, supported by comparable information and trend analysis where possible. Combined assurance is embedded within the ERM framework and aligned to the strategic risk profile, ensuring that assurance activities are planned and executed with reference to the group's strategic, operational, compliance, sustainability and emerging risks.

Five lines of defence and assurance coverage

Exxaro's combined assurance framework clarifies roles and responsibilities across the following five lines of defence:

- Line 1 – Management: Owns and manages risks and controls within operations, supported by policies, procedures, KPIs, key risk indicators and management self-assessments
- Line 2 – Oversight and specialist functions: Provide guidance, monitoring and challenge through risk management; compliance; BCM; safety, health and environment and other oversight activities
- Line 3 – Internal audit: Provides independent and objective assurance on the effectiveness of governance, risk management and internal controls processes
- Line 4 – External assurance providers: Includes external audit, regulators and other independent assurance providers
- Line 5 – Governance and oversight structures: Executive committee, board committees and the board provide strategic oversight and accountability

Assurance review

Focus area	Function assured			
	Assurance provider	Level of assurance*	Corporate	BU
External/statutory audit	KPMG	4	Yes	Yes
Sustainable development/KPIs	KPMG	4	Yes	Yes
Environmental liability provisioning	KPMG	4	Yes	Yes
Mining rights and environmental legal compliance	Legal	2		Yes
B-BBEE dtic code compliance	Empowerdex	4	Yes	Yes
Mining Charter III compliance	Internal audit	3	Yes	Yes
Insurance risk surveys	IMIUI	4		Yes
Mineral Resources and Mineral Reserves statement	Internal audit	3	Yes	Yes
Governance, risk and internal controls	Internal audit	3	Yes	Yes
Employee benefits	Internal audit	3	Yes	Yes
SLP projects	Internal audit	3		Yes
ISO and Occupational Health and Safety Assessment Series certifications	Various	4		Yes
IT general controls	Internal audit	3	Yes	

* Level of assurance refers to independent external assurance.

This integrated approach ensures that material risks are adequately covered by assurance activities, critical controls are monitored and tested, and assurance outcomes inform management actions and governance oversight, supporting confidence that risks are managed within approved risk appetite and tolerance levels.

Approach, governance and reporting

Exxaro defines assurance broadly to include management oversight, internal audit, external assurance and regulatory inspections. The combined assurance model seeks to optimise all assurance activities to collectively support:

- The integrity of internal decision making by management, the board and its committees
- The reliability of external disclosures, including:
 - Corporate governance disclosures in terms of King IV
 - The IR, financial statements and ESG reporting

The combined assurance model is operationalised through the combined assurance forum, which facilitates coordination and alignment across assurance providers, reduces duplication of effort, and minimises operational disruption and audit fatigue. The activities of the combined assurance forum, together with key assurance outcomes, are reported to the audit committee quarterly.

Assessment of control effectiveness

The board and the audit committee assessed the effectiveness of Exxaro's system of internal controls for the year ended 31 December 2025 as satisfactory. This assessment was informed by:

- Management self-assessments and formal confirmations by executive management
- Reports from internal audit
- Independent external audit outcomes
- Regulatory inspections
- Reports from other assurance providers

Outcome of assurance

As at 31 December 2025, there were 272 (2024: 375) open findings, reflecting a decrease of 103 (27%) open findings in the year. Of the 272 open findings, 81 (30%) are classified as “ready for audit” (a three-month waiting period is applied before performing follow-up procedures for the control to be fully embedded). The split by status of findings is depicted below:

Status of findings	Current period reporting
	Internal audit
Follow-up in progress	103
Ready for audit	81
Within timelines	88
Overdue	0
Total	272