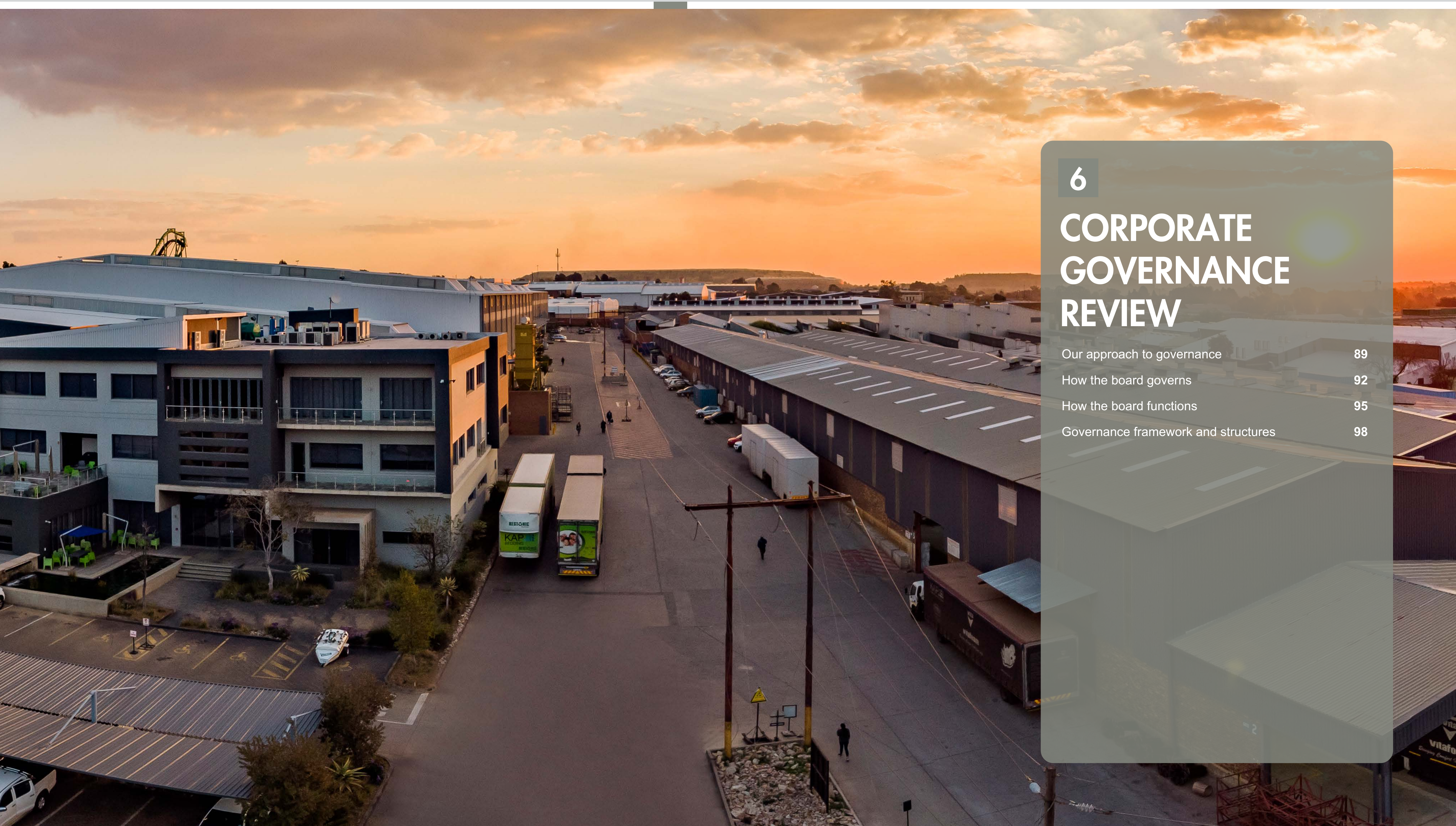


6

CORPORATE GOVERNANCE REVIEW

OUR APPROACH TO GOVERNANCE

We are committed to continuously integrating the **principles of good corporate governance** into our strategy, enterprise risk management and day-to-day decision-making. We recognise and believe that good corporate governance **supports the long-term sustainability** of our group. The directors of KAP have affirmed that, to the best of their knowledge, KAP has adhered to the provisions of the Companies Act and the JSE Listings Requirements and operated in accordance with the MOI during the year under review.

Approach to corporate governance

The board is committed to upholding the highest standards of corporate governance and will continue to oversee and enhance the effectiveness of the governance frameworks, ensuring the integrity of the group's financial reporting and risk management processes. The board is dedicated to providing accurate, timely and transparent disclosures to shareholders, reinforcing the group's commitment to transparency and accountability.

Corporate governance supports value creation through access to capital, ensuring long-term sustainability, improving decision-making and efficiency, mitigating risks and enhancing the reputation of the group. Therefore, corporate governance, enterprise risk management and sustainability form an integral part of the group's strategy and are all inseparable elements of the value-creation process. This report explains the role of the company and its subsidiaries, how it facilitates effective, transparent decision-making at all levels of the group and how the group understands, maintains and monitors the system of internal controls.

Read more: Governance framework

King IV™ application

The group applies the corporate governance principles and recommended practices as advocated by King IV™ on a holistic, substance-over-form basis, with appropriate scaling and proportionality in a top-down manner, where applicable. This approach serves the group better than a mechanistic tick-box approach.

	King IV™ principle	Read more	Applied
1	The governing body should lead ethically and effectively	Ethical leadership Key responsibilities Governance structure	✓
2	The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture	Ethical leadership Key responsibilities Governance structure	✓
3	The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen	Key responsibilities Governance structure	✓
4	The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value-creation process	Key responsibilities Governance structure	✓
5	The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short-, medium- and long-term projects	Key responsibilities Governance structure	✓
6	The governing body should serve as the focal point and custodian of corporate governance in the organisation	Governance framework How the board functions Key responsibilities Governance structure	✓
7	The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively	Governance framework How the board functions Board composition and skills Independence assessments of non-executive directors Rotation, retirement and succession for directors	✓

OUR APPROACH TO GOVERNANCE (CONTINUED)

	King IV™ principle	Read more	Applied
8	The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with the balance of power and the effective discharge of its duties	Governance framework How the board functions Board committees	✓
9	The governing body should ensure that the evaluation of its own performance and that of its committees, its chairperson and its individual members, supports continued improvement in its performance and effectiveness	Governance framework How the board functions	✓
10	The governing body should ensure that the appointment of, and the delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities	Governance framework How the board functions	✓
11	The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives	Risk management Audit and risk committee	✓
12	The governing body should govern technology and information in a way that supports the organisation in setting and achieving its strategic objectives	Information technology	✓
13	The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen	Ethical leadership Code of ethics	✓
14	The governing body should ensure that the organisation remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in the short-, medium- and long-term	Governance framework Human capital and remuneration committee Notice of annual general meeting	✓
15	The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and the organisation's external reports	Combined assurance	✓
16	In the execution of its governance roles and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interest of the organisation over time	Stakeholder focus during the year	✓

OUR APPROACH TO GOVERNANCE (CONTINUED)

Ethical leadership 1 2

The board of directors ('board') sets the ethical tone for the group by embracing the six ethical leadership values espoused by King IV™, namely integrity, competence, responsibility, accountability, fairness and transparency. These values are well entrenched in the governance culture of the company and, together with the ethical values, the board reinforces the ethical principles on which the company's reputation and success are founded.

The board exercises ongoing oversight over the management of ethics and promotes a culture of actively addressing wrongdoing, misconduct, unethical behaviour, fraud and corruption in the organisation. The responsibility for the implementation and execution of our code of ethics is delegated to management. The code of ethics commits the group and employees to the highest ethical standards of conduct and compliance with applicable laws and regulations. The code is available on our website.

A confidential ethics hotline for the anonymous reporting of suspected unethical business practices or acts of impropriety is in place for the group.

All reports received are evaluated and investigated on a confidential basis and material matters are reported to the board on a quarterly basis. The ethics hotline proved its value in identifying fraud and incidents of unethical behaviour and highlighted potential fraud throughout the group. To maintain a high level of awareness, employees are regularly reminded of this facility and urged to report all circumstances or situations in which they have reason to suspect unethical activity or other acts of impropriety. For the review period, no material incidents of non-compliance with the code of ethics, fines or prosecutions for non-compliance with laws or regulations were recorded.

Read more: Code of ethics
Read more: Risks and opportunities, page 40, Sustainability review, page 62

Key responsibilities 1 2 3 4 5 6

Governance	Compliance	Stakeholders	Performance and management	Responsible business	Strategy and culture of the group
Focal point and custodian of corporate governance of the group	Regulatory and statutory compliance of the group	Communicates and maintains relations with shareholders, the general public and other internal and external stakeholders in a transparent and timely manner	Business of the group conducted in accordance with the principles of fairness, accountability, transparency, responsibility, competence and integrity	Responsible corporate citizen	Sets and steers the strategic direction and culture of the group

HOW THE BOARD GOVERNS 6 7 8 9 10

The board serves as the focal point and custodian of corporate governance in the group. It is ultimately accountable for the performance and reputation of the group and for ensuring that it continues to operate responsibly, ethically and sustainably. The day-to-day management of the group is overseen by management.

The board meets at least five times per year with additional meetings held as and when required. During the year under review, the board held five scheduled meetings, including an annual budget presentation and a board conference which dealt with a strategic review of the group, with no additional meetings required. Below is a summary of the attendance of the board members at the scheduled meetings, including the changes which took place during the year under review:

Members[1]	Designation	Scheduled meeting attendance	Appointment date to board	Resignation/ retirement date from board	Compliance
JA Holtzhausen[2]	Independent non-executive director/chairperson	5/5	1 March 2023	–	All directors are afforded unrestricted access to management, including the company secretary. Independent advice is available at the company's expense to assist directors in carrying out their duties should they reasonably require same. During the year under review, none of the directors independently sought advice paid for by the company.
GN Chaplin[3]	Executive director/chief executive officer	5/5	18 November 2014	–	
Z Fuphe	Independent non-executive director	5/5	1 March 2020	–	
KT Hopkins	Independent non-executive director	5/5	6 December 2019	–	
SP Lunga	Executive director/corporate affairs executive	5/5	18 November 2021	–	
SN Maseko	Independent non-executive director	4/5	15 March 2024	–	
V McMenamin	Independent non-executive director	5/5	12 December 2019	–	
AFB Mthembu	Independent non-executive director	5/5	15 January 2024	–	
SH Müller	Independent non-executive director	5/5	25 June 2012	–	
FH Olivier	Executive director/chief financial officer	5/5	15 April 2016	–	
Changes during 2025					
PK Quarmby	Independent non-executive director/chairperson	2/2	25 June 2012	29 November 2024	
TC Isaacs	Independent non-executive director	4/5	30 June 2021	17 October 2025	
S Totaram	Independent non-executive director	2/2	5 May 2025	–	

[1] Apologies were received in the instance where a member did not attend.
[2] JA Holtzhausen was appointed as the board chairperson on 29 November 2024.
[3] GN Chaplin will be stepping down as the CEO and executive director with effect from 31 October 2025. FH Olivier, the current CFO, will become the group's CEO on 1 November 2025. The board will appoint a new CFO to replace FH Olivier.

Focus areas for FY25

- Monitoring the execution of the company's strategy, especially in regard to extracting value from its recent major investments, restructuring Unitrans, remedying underperforming operations and reducing debt.
- Monitoring the operational and financial performance of the company and its divisions.
- Reviewed progress made against the FY25 workstreams and approved the FY26 workstreams, which are based on a five-year strategic plan.
- Engaged with the divisional CEOs at the strategy conference to assess the divisional FY26 workstreams in line with the strategic priorities of each division.
- Interrogation and approval of the company's annual budget.
- Ensure the group remains within financial covenants during the year and contains net debt levels within the context of having completed several major capital projects in an uncertain macroeconomic environment and challenging trading conditions.
- Consider the group's response to Sasol's intended curtailment of gas supply, through its membership of the Industrial Gas Users Association of South Africa (IGUA-SA).
- Reinforce the critical importance of the safety culture in the group, which is driven by incorporating a punitive measure to be incorporated in the annual incentive bonus structures in those divisions that did not have this.
- Monitoring and guiding management on the new key risk to the group related to Sasol's ethylene supply to Safripol at its Sasolburg plant, centred on pricing and supply volume disputes.
- Consideration of the resignation of the company CEO, GN Chaplin, and the appointment of a new CEO, FH Olivier, effective 1 November 2025.

HOW THE BOARD GOVERNS (CONTINUED)

Future focus areas 8

- Value realisation from the group's completed major projects, aligned with the projects' feasibility studies
- Reduce net debt levels
- Remedy underperforming operations

Compliance with financial reporting requirements 5 13

The board is ultimately responsible for ensuring that the group maintains adequate records for timeous and reliable reporting on the financial position of the group and the results of business activities. To assist in effectively discharging this duty, the board relies on management, and therefore financial reporting procedures and disciplines have been implemented at all levels across the group. To facilitate the fulfilment of the directors' financial reporting obligations in terms of the JSE Listings Requirements, the key internal financial controls were subject to an assessment for effectiveness and alignment with the year-end closing and consolidation process, to ensure that the financial reporting is accurate and that the consolidated financial statements for the 2025 financial year were not materially misstated. The internal controls are designed to provide reasonable, but not absolute, assurance on the reliability of the consolidated and company annual financial statements, to adequately safeguard, verify and maintain accountability of assets and to prevent and detect material misstatement and loss. The systems are implemented and monitored by suitably trained employees with appropriate segregation of authority and duties. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems occurred during the year under review.

Financial risks such as liquidity (funding) risk, currency risk and interest rate risk, as well as certain risk mitigation controls, such as insurance, are largely controlled and/or arranged centrally. Comprehensive planning and budgeting processes are completed on an annual basis. Divisional annual budgets are reviewed and require approval by the board. Actual results achieved are compared monthly with budgets, to identify any deviations from approved plans and to allow timely corrective action to be taken. The group financial statements have been prepared on the going concern basis. Having made appropriate enquiries, the directors have every reason to believe that the group and company have adequate resources to continue in operation for the foreseeable future, based on the forecast and available cash resources. The external auditor concurred with the board's going concern view.

Risk management 11

The group's risk management is subject to a comprehensive governance process, which complies with the recommendations of King IV™. Although the board remains ultimately accountable for risk management and the group's compliance with all governance and legislative requirements, it relies on management sector expertise and assistance. The board sets the risk management policy and determines the risk tolerance and appetite levels. The board has tasked the audit and risk committee with monitoring the ongoing governance of the risk management process, which includes processes to ensure the effectiveness of risk management within the group. Management is responsible for the implementation of risk management, which includes the identification, analysis and mitigation of the risks within their areas of responsibility, the maintenance of current controls for risks, the implementation of additional mitigation measures and the effective use of risk management data as a decision-making tool.

An approved enterprise risk management policy exists, which sets out risk tolerance and appetite, while the enterprise risk management framework stipulates risk management methodologies and tools. Divisional compliance with tolerance and appetite guidance, as well as the effectiveness of risk management implementation, is monitored through our various governance structures, and the use of our combined assurance framework.

Read more: Risk and opportunities, page 40

Information technology 12

Although the board is ultimately responsible for overseeing the group's digital and IT strategy and ensuring that supporting governance structures and processes are robust, it relies on management sector expertise and assistance. This includes setting strategy and direction, challenging IT risk assessments (where possible and appropriate), and assessing the value that investment in IT provides the group.

A formal IT charter exists for the group, and is reviewed by the board on a periodic basis. The charter sets out the responsibilities and authority delegated by the board to the executive management of the company and its subsidiaries for the effective use and management of information assets (including data and systems), to support the achievement of the group's objectives. An IT-specific risk management framework has been implemented in the group, with the purpose of providing the board with reasonable assurance regarding the security, availability, integrity, confidentiality and privacy of the group's information assets. Further oversight is provided by internal audit to ensure adherence to the charter and frameworks.

The group is committed to managing information assets in a manner that complies with all relevant legislation, protects the rights of all stakeholders, enables sound decision-making and promotes transparency. Specific attention is given to maintaining a strong security posture by driving group-level initiatives focused on a cybersecurity culture and hygiene, continuous assurance of basic security controls (such as access control and vulnerability management), third-party risk management and cyber resilience.

Privacy compliance, in the form of policies, procedures, guidelines and training, is an ongoing process across the group to ensure continued legal compliance with data privacy legislation. No material data breaches occurred during the review period. Various minor incidents were noted by management and reported to the information regulator where required.

Combined assurance 15

Combined assurance refers to the integration, coordination and alignment of all risk management and assurance processes across the group to optimise and maximise the level of governance and control oversight of the risk landscape, providing stakeholders with an increased level of confidence and assurance.

A combined assurance forum, as detailed in the framework, oversees the combined assurance activities. In line with the King IV™ principles, the audit and risk committee is responsible for monitoring the appropriateness of the combined assurance model and ensuring that significant risks are adequately addressed. By continually optimising the combined assurance model, duplicated efforts are avoided and gaps in assurance for significant risks are identified. The model also allows for the rationalisation of assurance efforts among assurance providers, coupled with the effective management of assurance costs.

HOW THE BOARD GOVERNS (CONTINUED)

The combined assurance process embraces all assurance activities in a coordinated approach across four lines of defence:

1st line: Management oversight – people, systems and controls

The first line of defence is divisional management as the primary performance provider, responsible for implementing and maintaining controls to manage key risks. Controls are implemented by various methods, including people, procedures and systems. Divisional management also implements a primary level of oversight over the effective operation of controls in the form of various checklists and self-assessments.

2nd line: Corporate functions – oversight of risk management, compliance, governance and legal

The corporate functions maintain an oversight role over several key functional areas where centralised control can add value (to avoid replication across divisions), and in areas where the group can benefit from aggregation of best practice, such as bulk buying power. Examples of areas where the group maintains central oversight functions include risk management, compliance, tax, legal, treasury, secretarial and IT. Each of these functions is responsible for assurance programmes to standardise best practices and make the application of controls over key risks consistent across the group. Corporate functions also assist through the design of policies, frameworks, methodologies and assurance programmes that are used throughout the group to maintain a consistent standard of control over key risk areas.

3rd line: Internal audit | 4th line: External audit and other external assurance providers

The third and fourth lines of defence comprise independent third-party assurance providers (internal and external audits), whose reports are presented to the audit and risk committee of the company, as well as to the relevant divisional audit and risk committees. Further details on the combined assurance processes are available in the audit and risk committee report in the AFS.

The responsibility for ensuring the effectiveness of the internal control systems across the group rests with the board. However, the board has delegated implementation of the group's systems of risk management and internal control, including financial control, to executive management. Systems of internal controls, which are embedded in all key operations, provide reasonable, although not absolute, assurance that the group's objectives will be achieved, subject to defined risk tolerance levels.

During the financial year, in line with the amended framework, a full round of divisional combined assurance forums was held, along with the combined assurance committee meetings. The divisional forums reviewed the divisional self-assessment of their control environment (1st line), evaluated the effectiveness of controls, identified gaps in the current assurance workplans' control environment or opportunities for rationalisation of assurance activities, and documented and tracked corrective actions. These forums also kept track of all external (3rd and 4th lines) assurance providers utilised by each division. The focus of these meetings was therefore on the design of management (1st line) control assurance activities. The mapping results of the 1st line assurance mapping activities combined with updated 2nd line assurance mapping activities inform the update of the overall combined assurance map for the group.

The board is satisfied that its assurance activities result in an adequate, effective control environment and that the integrity of reports can be relied on for decision-making.

Read more: Governance framework, Consolidated and company annual financial statements

Stakeholder focus during the year 16

The board is committed to understanding and responding to the interests and expectations of all the group's stakeholders.

Sustainable value creation is influenced by successful engagement with the key stakeholders at both company and divisional levels. The company aims to improve relationships with stakeholders continuously by engaging with them on a proactive and consistent basis to identify key areas of interest and concern. The sustainability, social and ethics committee, which supports the board in fulfilling its governance role, oversees stakeholder engagement across the group. To maximise stakeholder value on a sustainable basis, the six ethical leadership values extend into every segment of the company's operations and business activities:

- lead responsibly
- value the environment
- respect our people
- respect society
- embrace diversity
- innovate relentlessly

Regular structured dialogue with internal and external stakeholders, who include shareholders and other institutional investors, not only informs them of the strategies and targets, but also provides the group with their input. This informs decision-making and facilitates sustainable, stable and mutually beneficial relationships. Communications with journalists and analysts are governed by the communication policy to ensure maintenance of the confidentiality of price-sensitive information in respect of the group. The CEO, CFO and the investor relations executive of the company regularly attend investor conferences and interact in a structured manner with investors, sell-side analysts and the media during half-year and full-year results presentations.

More information on stakeholder matters is contained in the various stakeholder reports on page 36.

HOW THE BOARD FUNCTIONS 6 7 8 9 10

The agenda for the board meeting is set in collaboration between the chairperson, the CEO, CFO (where applicable) and the company secretary. The agendas are aligned with the workplans of the board and its committees. The workplan provides assurance that all matters for the respective committees are addressed during a financial year.

At each board meeting, directors formally declare in writing their personal financial interests in contracts, shareholdings and appointments to other boards. Involvement in related-party transactions and other interests and relationships, such as with domestic or foreign politically exposed persons/prominent influential persons are declared formally four times per year. The board abides strictly by the standards and procedures of directors' conduct and personal financial interests as set out, among others, in sections 75 and 76 of the Companies Act and principle 1 of King IV™.

Whenever any potential conflict arises or a director (or a person related to such director) has a personal financial interest in respect of a matter to be considered at a meeting, the interest is declared and recorded in the minutes, and the director will then leave the meeting immediately after having made the disclosure and given any pertinent input as permitted by section 75(5) of the Companies Act. Such a director may not participate in further consideration of the matter. The conflicts-of-interest methodology is applied equally rigorously when decision-making is affected by way of written resolutions. A personal financial interests register, updated on a quarterly basis before the scheduled board meetings, is available on the website.

Non-executive directors are required to dedicate sufficient time to board matters. However, we believe that external directorships which extend beyond the scope of our operations bring a broader, value-adding, independent perspective and dimension to board deliberations. Non-executive directors may serve on other boards provided that such other appointments do not create a direct and material conflict of interest or interfere with their duties as board members. Due to the potential risk of conflict and dilution of focus, the CEO, CFO and corporate affairs executive may not serve on external commercial boards without the explicit approval of the board.

The executive directors do not hold external commercial directorships that represent any material conflict with their duties as directors of the company.

Read more: Personal financial interest register

Independence assessments of non-executive directors 7

The non-executive directors do not have service contracts and are not members of the group's retirement fund schemes. They do not hold any share rights or options under the group's share rights scheme, and they do not receive any incentives based on the group's financial performance. Despite the independent classification assigned to the non-executive directors, King IV™ recommends that the independence of long-serving directors be reassessed annually once they have served on a company's board for more than nine years. King IV™ does not view an extended term in office as an automatic impairment of a director's independence. This view was adopted by the nomination committee.

Assessment of SH Müller, with a tenure exceeding nine years, was completed during the year under review. The nomination committee considered the results, and concluded that SH Müller remains independent.

Rotation, retirement and succession for directors 7

The MOI provides for the periodic staggered rotation of non-executive board members to ensure the introduction of members with new expertise and perspectives, while retaining valuable knowledge, skills and experience and maintaining continuity. The MOI provides that, at every AGM of the company, at least one-third of the non-executive directors shall retire from the board by rotation. If eligible, the retiring directors may offer themselves for re-election. As per King IV™, the executive directors do not retire in terms of the company's staggered rotation process. Their employment relationships are regulated by their respective contracts with the company. From a statutory perspective, however, the continuance of all directors' board membership is subject to shareholders' ongoing support. From a statutory and governance perspective, directors are not compelled to hold share investments in the company as a qualifying appointment prerequisite.

While it may be sensible for executive directors to hold shares to align their interests with those of shareholders, excessive shareholding by non-executive directors, in comparison to their personal wealth, may impair their independence and is therefore not encouraged. The directors' shareholding is disclosed in both the annual financial statements and the notice of the November 2025 AGM ('2025 AGM').

At the 2025 AGM, approval will be sought from shareholders to confirm/ratify the appointment of S Totaram, who was appointed as an independent non-executive director by the board on 5 May 2025. As the longest-serving directors in office since re-election or appointment, the nomination committee recommended SH Müller and KT Hopkins for rotation and re-election. They are eligible and have made themselves available for re-election by shareholders. The three individuals proposed by the nomination committee for election/re-election/confirmation/ratification at the 2025 AGM have the support of the board.

Read more: Consolidated and company annual financial statements, Notice of annual general meeting

Board effectiveness and training 9

The directors' bespoke induction programme is driven by the unique needs and demands of each individual director. Following appointment, and the formal acceptance thereof, directors are given access to the electronic platform where key group-related documents such as charters, policies, reports, minutes of previous meetings and the MOI and other required documentation can be reviewed in a secure environment.

The company secretary provides directors with statutory, legal and other governance training as and when required. As the board consists of senior, seasoned directors, the training requirements centre around industry-specific training on an ad hoc basis. Directors are aware of and committed to their responsibility for self-development to retain the high levels of competency necessary to add value to board and committee deliberations.

During the year, the board conducted a comprehensive self-evaluation, focused on key areas including board performance and reporting, strategic development and execution, leadership and ethics, and overall board composition.

The most recent assessment confirmed that the board operated effectively, demonstrating the necessary care, skill and diligence in fulfilling its duties in the best interests of the company. Furthermore, the board affirmed its compliance with the JSE Listings Requirements for a listed entity for the period under review.

The board is satisfied that the assessment process enhances its performance and effectiveness. Considering the duties and responsibilities of the chairperson, the CEO and the company secretary, as detailed in the framework, the board is satisfied that the arrangements for its delegation within its own structure promote independent judgement and assist with a balance of power and the effective discharge of its duties.

Read more: Governance framework

HOW THE BOARD FUNCTIONS (CONTINUED)

Board composition and skills

The leaders of the company

Full director CVs can be viewed on our website.

JA (Johan) Holtzhausen (55)[1]
BIuris, LLB, HDip Tax
Independent non-executive director/Chairperson
Appointed: 2023 **Tenure:** 2 years
Expertise brought to the board: Strategy, Risk management, Listed corporate and governance, Finance and audit, Remuneration and performance management
Committee memberships: Human capital and remuneration, Nomination, Investment

GN (Gary) Chaplin (55)[1,2]
CA(SA)
Chief executive officer
Appointed: 2014 **Tenure:** 11 years
Expertise brought to the board: Industrial manufacturing, Risk management, Strategy, Logistics, Listed corporate and governance, Finance and audit, Remuneration and performance management
Committee memberships: Sustainability, social and ethics, Investment

FH (Frans) Olivier (46)[1,2]
CA(SA)
Chief financial officer
Appointed: 2016 **Tenure:** 9 years
Expertise brought to the board: Industrial manufacturing, Risk management, Strategy, Logistics, Listed corporate and governance, Finance and audit, Remuneration and performance management
Committee memberships: Investment

SP (Penwell) Lunga (50)[1]
BJuris, LLB, MBA, MSc (HR)
Corporate affairs executive
Appointed: 2021 **Tenure:** 4 years
Expertise brought to the board: Strategy, Listed corporate and governance, Remuneration and performance management
Committee memberships: None

Z (Zellah) Fuphe (57)[1]
BSocSci, CD(SA), GIBS GEDP
Independent non-executive director
Appointed: 2020 **Tenure:** 5 years
Expertise brought to the board: Risk management, Strategy, Information technology, Listed corporate and governance
Committee memberships: Audit and risk, Sustainability, social and ethics, Nomination

KT (Ken) Hopkins (70)[1]
BCom (Hons), CA(SA)
Independent non-executive director
Appointed: 2019 **Tenure:** 6 years
Expertise brought to the board: Risk management, Finance and audit
Committee memberships: Audit and risk

TC (Tamara) Isaacs (49)[1,3]
CA(SA)
Independent non-executive director
Appointed: 2021 **Tenure:** 4 years
Expertise brought to the board: Finance and audit, Remuneration and performance management
Committee memberships: Audit and risk, Sustainability, social and ethics

SN (Sipho) Maseko (57)[1]
BA, LLB
Independent non-executive director
Appointed: 2024 **Tenure:** 1 years
Expertise brought to the board: Strategy, Sales
Committee memberships: Sustainability, social and ethics, Investment

V (Viv) McMenamin (62)[1]
MSc (Econ)
Independent non-executive director
Appointed: 2019 **Tenure:** 6 years
Expertise brought to the board: Industrial manufacturing, Risk management, Strategy, Listed corporate and governance
Committee memberships: None

AFB (Andrew) Mthembu (69)[1]
BSc (Chem, Biol), BSc (Civ Eng), MSc (Const Mgmt), Advanced Management Programme
Independent non-executive director
Appointed: 2024 **Tenure:** 1 years
Expertise brought to the board: Strategy, Risk management, Finance and audit, Information technology, Remuneration and performance management
Committee memberships: Human capital and remuneration, Investment

SH (Steve) Müller (64)[1,4]
BAcc (Hons), CA(SA), Sanlam EDP, CD(SA)
Independent non-executive director
Appointed: 2012 **Tenure:** 13 years
Expertise brought to the board: Finance and audit, Risk management, Remuneration and performance management
Committee memberships: Audit and risk, Human capital and remuneration, Sustainability, social and ethics, Investment

S (Samara) Totaram (46)[1,5]
CA(SA), CFA
Independent non-executive director
Appointed: 2025 **Tenure:** 0.5 years
Expertise brought to the board: Listed corporate and governance, Finance and audit
Committee memberships: Audit and risk, Human capital and remuneration, Nomination

[1] Ages as at 31 October 2025.
[2] GN Chaplin will be stepping down as the CEO and executive director with effect from 31 October 2025. FH Olivier, the current CFO, will become the group's CEO on 1 November 2025. The board will appoint a new CFO to replace FH Olivier.
[3] TC Isaacs resigned from the board as an independent non-executive director with effect from 17 October 2025.
[4] SH Müller will step down from the audit and risk committee effective 15 November 2025.
[5] S Totaram was appointed as a member of the human capital and remuneration committee effective 17 October 2025.

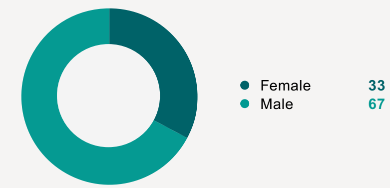
HOW THE BOARD FUNCTIONS (CONTINUED)

Regulatory requirement	Compliance by the company	Comment
Section 66(2)(b) of the Companies Act requires a public company to have at least three directors in addition to the minimum number of directors that the company must have to satisfy any requirement to appoint an audit committee and/or a social and ethics committee.	✓	The board comprises twelve directors.
Clause 23.1.1 of the company's MOI states that the board must comprise at least four directors, while clause 26.1 requires the appointment of at least two executive directors. The latter is also a recommendation of King IV™ (principle 7, practice 9).	✓	The board comprises twelve directors of whom three are executive directors.
King IV™ and paragraph 3.84(b) of the JSE Listings Requirements require every issuer to appoint a chief executive officer and a chairperson, which positions may not be held by the same person. Furthermore, the chairperson must be an independent non-executive director. A lead independent non-executive director ('LINED') should be appointed if the chairperson is not independent.	✓	The board is led by an independent non-executive chairperson. The positions of chairperson and CEO are held by different directors. It was not necessary to appoint a LINED.
Paragraph 3.84(f) of the JSE Listings Requirements determines that all issuers must have a full-time executive financial director (CFO), who may not hold any other position or have other commitments that would be considered as full- or part-time employment.	✓	The company has a full-time CFO who is a director of the board and who does not hold any other employment or position. The board has made significant progress in identifying potential candidates for the position of CFO, which will become vacant on 1 November 2025, being the date on which FH Olivier's (the current CFO) appointment as the company's CEO will be effective. The board expects the appointment of the new CFO to be finalised shortly. Any such appointment will be announced on SENS as soon as it is finalised.
In principle 7 (paragraphs 6 to 9), King IV™ recommends that the board's composition should reflect an appropriate balance of power, knowledge, skills, experience, diversity and independence.	✓	The directors have diversity of race, gender, age and skills and experience across a wide range of industries.
The board should comprise a majority of non-executive directors (NEDs), the majority of whom should be independent.		The board comprises a majority of NEDs (75%) who are independent.
As a minimum, each board should have a CEO and at least one other executive, which 'other executive' may be the CFO.		The company has both a full-time CEO and CFO who are directors of the board. The company has three executive directors.

The board is satisfied that the directors have an appropriate balance of knowledge, skills, expertise, diversity and independence to govern the group effectively, considering the nature, size and scale of operations as well as the laws governing the business.

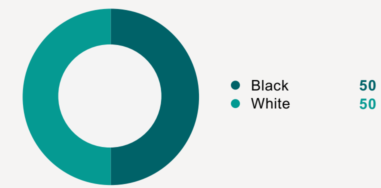
Board diversity

Gender (%)



The target of 30% female representation has been achieved.

Demographics (%)



The target black South Africans collectively representing no less than 30% has been achieved.

During the reporting period, the board diversity policy was reviewed and updated to ensure that it remains relevant from a market expectation as well as a pragmatic perspective.

Read more: Board diversity policy

GOVERNANCE FRAMEWORK AND STRUCTURES

Governance framework

1 2 3 4 5 6

Shareholders

Board

Non-executive and executive[1] directors
(Appointed by shareholders)

External auditor reports to the KAP and divisional audit and risk committees

External auditor
(Appointed by shareholders)

Board structure[2]

- Audit and risk committee (Appointed by shareholders)
- Human capital and remuneration committee
- Sustainability, social and ethics committee
- Nomination committee
- Investment committee
- Guarantee and financial assistance subcommittee[3]
- Treasury subcommittee[3]

Corporate structure

Chaired by CEO

- Executive committee

Chaired by CFO

- IT steering committee
- Tax compliance committee
- Combined assurance committee
- Compliance committee

Divisional structure[4]

Chaired by CEO

- Divisional boards (Directors appointed by KAP in its capacity as a shareholder)
- Human capital and remuneration committee

Chaired by CFO

- Non-statutory audit and risk committee

Chaired by divisional CEO

- Divisional executive meetings

Committee accountable to:

- Board
- Shareholders

[1] CEO, CFO and corporate affairs executive.

[2] Committees and subcommittees operate in terms of a board-approved charter.

[3] These two committees were merged effective 27 August 2025, and is now known as the treasury subcommittee.

[4] The divisional structure is supported by various managerial committees.

GOVERNANCE FRAMEWORK AND STRUCTURES (CONTINUED)

The seven board committees assist in discharging the board's duties and responsibilities as detailed in the charter. The committees are also responsible for overseeing the defined governance domains of the framework. There are formal reporting structures from the committees to the board and the shareholders. The board reviews the mandate and charters of the committees on an annual basis to ensure effective oversight and control of the operations of the group.

The board committees are chaired by independent non-executive directors as detailed in the framework. In some instances, board committees have overlapping responsibilities, providing different perspectives on board material in line with their mandates. Overlapping memberships assist with effective communication between the committees and ensure that relevant matters are considered from all angles by the relevant committees and formally reported to the board.

A summarised view of the directors' committee memberships is included below, and it includes recent changes to the board and its committees that took effect between June 2025 (year-end) and the 2025 AGM, with notes for clarity.

Committee membership

Members	Audit and risk	Human capital and remuneration	Sustainability, social and ethics	Nomination	Investment
JA Holtzhausen		M		C	M
GN Chaplin[1]	I	I	M	I	M
Z Fuphe	M		C	M	
KT Hopkins	C				
TC Isaacs[2]	M		M		
SP Lunga			I		
S Maseko			M		M
V McMenamin					
A Mthembu		M			M
SH Müller[3]	M	C	M		C
FH Olivier	I		I		M
S Totaram[4]	M			M	

I Invitee M Member C Chairperson

[1] GN Chaplin will step down as the CEO of KAP effective 31 October 2025, and will be replaced by FH Olivier as the CEO and as a member of the sustainability, social and ethics committee.
[2] TC Isaacs resigned from the board and committees effective 17 October 2025.
[3] SH Müller will step down from the audit and risk committee effective 15 November 2025.
[4] S Totaram was appointed as a member of the human capital and remuneration committee effective 17 October 2025.

Read more: Board charter, Governance framework

GOVERNANCE FRAMEWORK AND STRUCTURES (CONTINUED)

Board committees 8

Audit and risk committee

Members	Designation	Scheduled meeting attendance	Re-election	Compliance
KT Hopkins[1]	Independent non-executive director/chairperson	4/4	Recommended for re-election at 2025 AGM	The nomination committee assessed and was satisfied that the members, as a collective, have the required knowledge, experience and all-round competence, as set out in section 94(5) of the Companies Act and regulation 42 of the Companies Regulations, 2011, to serve on an audit committee of a public, listed company.
Z Fuphe	Independent non-executive director	4/4	Recommended for re-election at 2025 AGM	
Changes during 2025				
TC Isaacs	Independent non-executive director	4/4	Resigned effective 17 October 2025 and will not make herself available for re-election	
SH Müller	Independent non-executive director	4/4	To step down from the committee on 15 November 2025 and will not make himself available for re-election	
S Totaram[1]	Independent non-executive director	1/1	Recommended for election at 2025 AGM	

[1] S Totaram will be appointed as chairperson of the audit and risk committee with effect from 15 November 2025, replacing KT Hopkins who will remain a member of the committee given his expertise and wealth of institutional knowledge.

The committee agenda allows for private meetings to be convened without management present. The committee is satisfied that it has fulfilled its responsibilities in accordance with its charter and all statutory requirements for the year under review.

Mandate

The committee's main role is to assist the board in the fulfilment of its oversight responsibilities, in particular the integrity of the group's financial statements and the effectiveness of the systems of internal financial control, financial reporting and risk management. The committee is responsible for assessing the effectiveness of the internal audit function, the finance and chief financial executive function, as well as the external audit function. The details of the committee's composition, chairperson, purpose, responsibilities, objectives and invitees are contained in the framework and its charter.

The committee's primary duties and objectives have been executed in terms of the committee's mandate and statutory obligations, which are fully expounded upon in the report of the audit and risk committee contained in the annual financial statements.

Focus areas for FY25 8

- Review of the group's going concern assessment and solvency and liquidity position, including compliance with financial covenants.
- Impairment assessment of goodwill, indefinite useful life intangible assets and property, plant and equipment.
- Oversight of the internal financial controls, effectiveness thereof and remedial actions implemented by management.
- Oversight of IT risks, the IT internal control framework and the IT assurance plan.
- Enterprise risk management through monitoring and interrogation of the material group risks.
- Oversight of the combined assurance model and profile for the group.
- Business continuity arrangements established and implemented by means of a crisis management and business continuity policy with its associated frameworks.
- Review and re-aligned the group's governance structure to remove duplication and to utilise the corporate services structures effectively.

Key audit matter

In addition to the focus areas for 2025, the committee also considered key audit matters identified by the external auditors:

- impairment assessment of goodwill and intangible assets with indefinite useful lives;
- valuation of timber plantations; and
- impairment assessment of the Safripol Durban PET plant.

Details have been disclosed in the auditor's report in the AFS.

Future focus areas

- Monitor combined assurance.
- Monitor and provide oversight on the effectiveness of the internal controls and internal audit function.

Performance evaluation of the committee 5

In line with the principles of King IV™, the committee received feedback on the performance self-assessment carried out in the prior year and reflected on the committee's current operations. No matters of material concern were identified.

The committee was assessed to be effective in rendering its oversight service to the board in terms of its charter and statutory obligations.

Performance evaluation of the CFO and the finance function 5

As required by paragraph 3.84(g)(i) of the JSE Listings Requirements and paragraph 7.3(e)(i) of the JSE Debt & Specialist Securities Listings Requirements, and the recommended practices of King IV™, the committee has assessed the competence and performance of the CFO and believes that he possesses the appropriate expertise and experience to meet the responsibilities of his position. The committee is satisfied with the expertise and adequacy of resources within the finance and tax functions and the experience of staff within these functions.

Read more: Governance framework, Audit and risk committee charter, Consolidated and company annual financial statements

GOVERNANCE FRAMEWORK AND STRUCTURES (CONTINUED)

Human capital and remuneration committee 14

Members	Designation	Scheduled meeting attendance	Special meeting attendance	Appointment date to committee	Resignation/ retirement date from committee	Compliance
SH Müller	Independent non-executive director/ chairperson	2/2	1/1	14 August 2018	–	The committee is satisfied that it has fulfilled its responsibilities in accordance with its charter and statutory obligations imposed by applicable legislation and King IV™.
JA Holtzhausen	Independent non-executive director	2/2	1/1	17 March 2023	–	
AFB Mthembu	Independent non-executive director	2/2	1/1	15 January 2024	–	

The nomination committee assessed and was satisfied that the members of the human capital and remuneration committee, as a collective, have the required knowledge, experience and all-round competence to serve on a remuneration committee of a listed company. At its meeting on 27 August 2025, the board accordingly resolved that the current members should continue to serve as the members of this committee. For purposes of future succession plans, the board has appointed S Totaram as a member of the human capital and remuneration committee with effect from 17 October 2025.

Mandate

The main role of this committee is to determine the group's overall approach to remuneration and public disclosure. The committee regulates the remuneration and labour procedures of employees with a particular focus on the remuneration of senior and executive management. The details of the committee's composition, chairperson, purpose, responsibilities, objectives and invitees are contained in the framework.

Focus areas for FY25 8

- Reviewed the group's human capital strategy and the alignment thereof with the company strategy.
- Reviewed the remuneration policy and the non-executive directors' fees.
- Reviewed the executive structure and succession planning for executive management.
- Ensure that the capacity, competence and balance of divisional Excos is in place to determine and execute their respective strategies.
- Evaluated the human capital management practices in place across the group to ensure fairness, responsibility, transparency, alignment with King IV™, and compliance with the specific requirements of relevant labour legislation.
- Reviewed the risk associated with the loss of key personnel and the implementation of associated talent retention measures.
- Reviewed the group's approach to diversity and inclusion, with specific reference to employment equity and the sectoral targets in terms of the Employment Equity Regulations, 2025.
- Confirmed the vesting criteria for shares issued under the group's share rights scheme.
- Determined the measurement criteria for short and long-term incentives.

Future focus areas

- Retain scarce skills and recruit key leadership to execute both the group and divisional strategies.
- Incorporate transformation imperatives in leadership development.
- Communicate effectively the remuneration policy and the implementation report.
- Review the remuneration structure for senior executives and the effectiveness of performance measures used for incentives.
- Promote diversity, inclusion and depth of succession talent.

Performance evaluation 5

In line with the principles of King IV™, the committee reviewed the outcomes of the previous year's performance self-assessment and concluded that the identified shortcomings have been addressed appropriately.

Read more: Governance framework

GOVERNANCE FRAMEWORK AND STRUCTURES (CONTINUED)

Sustainability, social and ethics committee

Members	Designation	Scheduled meeting attendance	Appointment date to committee	Resignation/ retirement date from committee	Election	Compliance
Z Fuphe	Independent non-executive director/ chairperson	2/2	1 March 2020	–	Recommended for election at 2025 AGM	The committee is satisfied that it has discharged all its responsibilities as contained in its charter, the Companies Act, the JSE Listings Requirements, King IV™ and all other applicable statutory obligations.
SN Maseko	Independent non-executive director	2/2	15 March 2024		Recommended for election at 2025 AGM	
Changes during 2025						
GN Chaplin	Executive director	2/2	18 November 2014	–	Resigned effective 31 October 2025 and will not make himself available for election	
TC Isaacs	Independent non-executive director	2/2	30 June 2021	–	Resigned effective 17 October 2025 and will not make herself available for election	
FH Olivier	Executive director	0/0	1 November 2025	–	Recommended for election at the 2025 AGM	

The nomination committee assessed and was satisfied that the members, as a collective, have the required knowledge, experience and all-round competence to serve on a sustainability, social and ethics committee of a listed company. At its meeting on 27 August 2025, the board recommended that the current members be elected by the shareholders at the 2025 AGM as the members of this committee. Further to GN Chaplin's retirement from the board and the sustainability, social and ethics committee as announced on SENS on 29 May 2025, the board has appointed FH Olivier as a member of sustainability, social and ethics committee with effect from 31 October 2025, being the date of GN Chaplin's retirement from the committee.

Mandate

The committee's main role is to assist the board in fulfilling its oversight responsibilities, particularly of sustainability matters, including socioeconomic development, ethics, environmental, social and governance ('ESG'), good corporate citizenship, health and public safety and specific labour and employment matters. The details of the committee's composition, chairperson, purpose, responsibilities, objectives and invitees are contained in the framework.

Focus areas for FY25 8

Reviewed the company's strategic approach to sustainability, including data collection and the setting of targets.

- Evaluated ESG risks and their potential impact.
- Considered fraud and ethics disclosures, and a reputational issue the group is facing.
- Reviewed the stakeholder engagement framework, with emphasis on community relations, government relations and industry leadership.

Future focus areas

- Determine the company's responsibility in terms of reporting on sustainability against the available resources and market expectations.
- Achieve a balance between compliance with governance requirements and operational performance.

Performance evaluation of the committee 5

In line with the principles of King IV™, the committee reviewed the outcomes of the previous year's performance self-assessment and concluded that the identified shortcomings have been addressed appropriately.

Read more: Governance framework

GOVERNANCE FRAMEWORK AND STRUCTURES (CONTINUED)

Nomination committee

Members	Designation	Scheduled meeting attendance	Appointment date to committee	Resignation/retirement date from committee	Compliance
JA Holtzhausen	Independent non-executive director/chairperson	2/2	17 March 2023	–	The board is satisfied that the committee is appropriately diverse and has the required knowledge, experience and skills to discharge its responsibilities effectively. The members, as a collective, have the required knowledge, experience and all-round competence to serve on a nomination committee of a listed company. At its meeting on 27 August 2025, the board accordingly resolved that the current members should continue to serve as the members of this committee.
Z Fuphe	Independent non-executive director	2/2	1 March 2020	–	
Changes during 2025					
PK Quarmby	Independent non-executive director/chairperson	1/1	14 August 2018	29 November 2024	
S Totaram	Independent non-executive director	1/1	5 May 2025		

Mandate

The committee's main role is to review the board's, and its committees', composition and succession planning to ensure that the board, and its committees, are well rounded with the required skills, knowledge and experience to execute its respective responsibilities. The details of the committee's composition, chairperson, purpose, responsibilities, objectives and invitees are contained in the framework.

Focus areas for FY25

- Sourced a new NED to become a member of the audit and risk committee.
- Reviewed and updated the board succession plan.
- Reviewed the composition of the board and board committees.
- Reviewed the classification of directors and evaluated the independence of the long-serving non-executive director.
- Recommended the directors to rotate at the 2025 AGM in accordance with the company's staggered rotation policy.
- Reviewed the directors' training and induction programme.
- Consideration of the resignation of GN Chaplin as CEO and nomination of FH Olivier as his replacement.

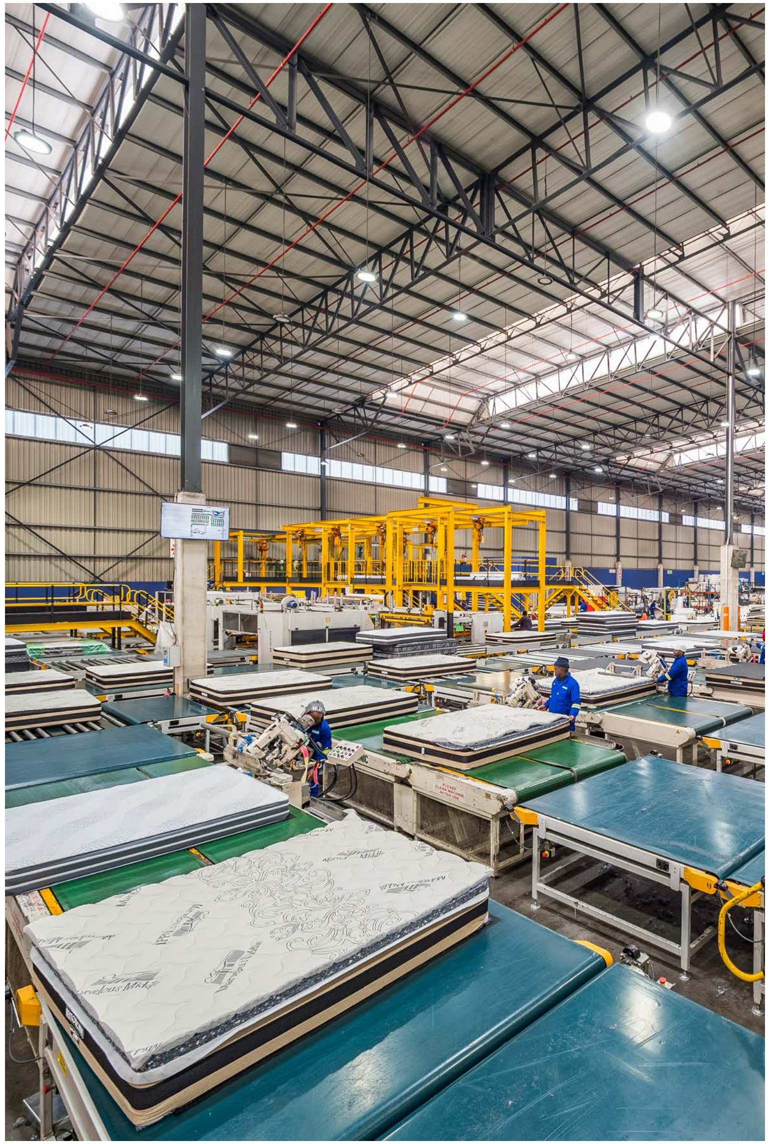
Future focus areas

- Succession planning for the board and chairpersons of the board committees.
- Nomination of a new CFO to replace FH Olivier.

Performance evaluation of the committee

In accordance with the recommendations of King IV™, the committee reflected on the outcomes of its prior-year performance self-assessment, and concluded that it has made progress on the key remarks made during the evaluation, which identified the challenge to maintain the optimal level of diversity, balanced against the appropriate experience and the succession planning for the divisional executive roles.

Read more: Governance framework



GOVERNANCE FRAMEWORK AND STRUCTURES (CONTINUED)

Investment committee (ad hoc committee)

Members	Designation	Appointment date to committee	Resignation/retirement date from committee	Compliance
SH Müller	Independent non-executive director/chairperson	14 August 2018	–	The committee meets on an ad hoc basis, as and when required. Strategic opportunities under consideration, which are considered price-sensitive in nature, are not disclosed in reporting. As and when these initiatives come to fruition, appropriate disclosure will be made via SENS on the JSE.
JA Holtzhausen	Independent non-executive director	17 March 2023	–	
SN Maseko	Independent non-executive director	15 March 2024		
AFB Mthembu	Independent non-executive director	15 January 2024		
FH Olivier	Executive director	14 August 2018	–	
Changes during 2025				
GN Chaplin	Executive director	14 August 2018	31 October 2025	The committee has not completed a formal assessment. However, it is satisfied that it has fulfilled its responsibilities in accordance with its charter.
PK Quarmby	Independent non-executive director	14 August 2018	29 November 2024	

At its meeting on 27 August 2025, the board accordingly resolved that the current members should continue to serve as the members of this committee.

Mandate

The main role of this committee is to provide recommendations to the board in respect of corporate actions and capital allocations in line with the strategy. The committee also reviews the investment(s) made within a specific period to determine/assess the investment(s) in line with the forecast based on data and due diligence. The details of the committee's composition, chairperson, purpose, responsibilities, objectives and invitees are contained in the framework.

This committee held no meetings during FY25.

Read more: Governance framework

GOVERNANCE FRAMEWORK AND STRUCTURES (CONTINUED)

Executive committee and structures

Executive committee

Full executive CVs can be viewed on our website.

GN (Gary) Chaplin (55)[1]
CA(SA)
Chief executive officer
Appointed: 2014 (as KAP chief executive officer)
Appointed: 2012 (as PG Bison chief executive officer)
Years of service: 13 years

FH (Frans) Olivier (46)
CA(SA)
Chief financial officer
Appointed: 2016
Years of service: 9 years

SP (Penwell) Lunga (50)
BJuris, LLB, MBA, MSc (HR)
Corporate affairs executive
Appointed: 2021
Years of service: 4 years

H (Neels) Kornelius (52)
BEng (Chem), MBL
Enterprise risk executive
Appointed: 2022
Years of service: 3 years

C (Corné) van der Schyff (48)
CA(SA)
Finance executive
Appointed: 2022
Years of service: 3 years

LML (Mike) Besteiro (56)
MSc (Ind Eng)
IT executive
Appointed: 2018
Years of service: 7 years

CH (Christina) Steyn (45)
BSc, BSc Hons (Physics), MSc (Physics), PhD (Physics), MBA, Cert.Dir
Investor relations and sustainability executive
Appointed: 2021
Years of service: 4 years

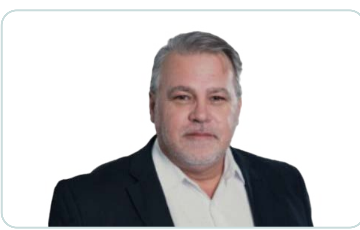
Y (Yokesh) Maharaj (53)
BBA, BTech, Advanced Business Programme, Executive Development Programme
Revenue growth executive
Appointed: 2025
Years of service: 0.5 years

CC (Cicelia) Potgieter (55)
BCom Hons (Acc), MCom (Tax), CA(SA)
Tax executive
Appointed: 2022
Years of service: 3 years

RH (Reino) Louw (52)
BCom (Law), LLB, LLM
Treasury and legal executive
Appointed: 2018
Years of service: 7 years

G (Gerhard) Victor (59)
N6 Mechanical Engineering certificate
PG Bison chief executive officer
Appointed: 2014
Years of service: 11 years

N (Nico) van Niekerk (63)
BEng (Chem Eng), MBA
Safripol chief executive officer
Appointed: 2019
Years of service: 6 years



E (Edwin) Hewitt (59)
Master's Diploma in Technology: Metallurgical Engineering
Unitrans chief executive officer
Appointed: 2024
Years of service: 1 year

UMG (Ugo) Frigerio (65)[2]
BA Hons, MPhil
Feltex chief executive officer
Appointed: 2014
Years of service: 11 years

M (Michael) Borchers (53)
Sleep Group chief executive officer
Appointed: 2022
Years of service: 3 years

SM (Steve) Ford (56)
MSc (Eng)
Optix chief executive officer
Appointed: 2021
Years of service: 4 years

The Exco is a committee of the CEO. Its primary responsibility is to assist and advise the CEO on implementing the strategies and policies approved by the board, managing the business and affairs of the group, prioritising the allocation of capital, technical and human resources, and ensuring best management practices. The Exco is not a decision-making body but rather carries an oversight and governance responsibility. The Exco comprises the 16 members listed above. The Exco usually meets on a quarterly basis with additional ad hoc meetings as and when required.

Monthly management accounts are reported to the Exco. Review of the financial performance of the group is a standing item on the agenda of the Exco, the audit and risk committee and the board. Financial performance reports and operational overview reports are submitted to the audit and risk committee and the board at least four times a year.

[1] GN Chaplin will be stepping down as the CEO and executive director with effect from 31 October 2025. FH Olivier, the current CFO, will become the group's CEO on 1 November 2025. The board will appoint a new CFO to replace FH Olivier.

[2] UMG Frigerio has retired effective 30 June 2025. NJ Zerbst has been appointed as the CEO of Feltex.

GOVERNANCE FRAMEWORK AND STRUCTURES (CONTINUED)

Divisional structures

The divisional board meetings are centred around strategy implementation, while divisional strategies are aligned with the group strategy.

Divisional human capital and remuneration committees exist and are chaired by the CEO. The divisional human capital and remuneration committees meet on an annual basis to discuss and address divisional succession planning, training of employees, employment equity throughout the group and position value propositions. The agendas of the divisional human capital and remuneration committees are aligned with the workplan and charter of the group's human capital and remuneration committee. The minutes for these meetings are included in the group's human capital and remuneration committee meeting packs (as supplementary documentation) to ensure open and transparent communication and to assist with the fulfilment of the obligations of the human capital and remuneration committee.

Financial performance reviews, internal audit reports, risk and assurance reports, compliance reports, tax, and IT reports are reviewed and interrogated by the divisional audit and risk committees on a biannual basis. The minutes for these meetings are included in the audit and risk committee meeting packs (as supplementary documentation) to ensure open and transparent communication and to assist with the fulfilment of the obligations of the audit and risk committee.

Divisional Excos exist within each of the divisions, where divisional strategy and operational matters are monitored by the division's top management team.

Approval frameworks exist and are maintained throughout the group, for both the corporate functions and the divisions. The corporate approvals framework is regularly reviewed by the board and the divisional frameworks are aligned with it. Any material issues of non-compliance are escalated to the audit and risk committee, the sustainability, social and ethics committee and/or the board.

The board is satisfied that the divisional governance structure and approvals frameworks contribute positively to enhance clarity between the different roles and obligations, and lead to the effective exercise of authority throughout the group.

Corporate committees

The corporate committees, established by the CFO, are voluntary. The purpose of each of these committees is set out in their respective charters. A summarised version of these committees is contained in the framework. These committees have evolved to assist both the CEO and the CFO in discharging their respective responsibilities by implementing the frameworks and overseeing assurance and compliance throughout the group.

Company secretary

The company secretary is appointed by the board. The company secretary is an entity, KAP Secretarial Services Proprietary Limited ('KSS') as detailed in the framework. The company secretary renders its services under the guidance of a charter which regulates its working relationship with the board. During the review period, the board reviewed and updated the charter.

All directors have access to the advice and services of the company secretary. In serving the board, the company secretary draws on the collective skill sets of the four KSS directors mentioned below, the dedicated support of secretarial services, as well as relevant expertise from other corporate functions:

- C van der Schyff
- RH Louw
- C Beetge
- L Kok

These directors collectively have experience and expertise in the fields of, among others, general management, mergers and acquisitions, secretarial services, treasury, funding, finance, legal, compliance and corporate governance.

The company secretary is mainly responsible for the duties as set out in section 88 of the Companies Act, as well as for ensuring compliance with the JSE Listings Requirements. The company secretary acts as a central source of information and advice to the board and the company on matters of ethics and good governance. It also ensures that the proceedings and affairs of the board, board committees, Exco, corporate committees, the company and the group are administered properly in line with applicable laws. The secretarial department is the custodian of the statutory records of the group in South Africa. It also acts as the central point of contact between the group and the various company secretaries (or agents) in other territories, who are responsible for complying with the relevant foreign corporate legislation and regulations.

The performance of the company secretary is assessed annually. As part of the review process, assurance is sought on the relationship between the secretarial department and the board.

The board is satisfied with the support services rendered, as well as the competence, qualifications and experience of the KSS directors. During the most recent appraisal of the performance of the company secretary, the board expressed satisfaction that the secretarial services had been rendered on an arm's-length basis and on market-related terms. The company secretary performed its role adequately in an independent manner, including its responsibility as gatekeeper of good corporate governance in the group.

Read more: Governance framework