KING V DISCLOSURE FRAMEWORK

Finbond Group Limited

Reporting period: 1 March 2025 to 28 February 2026

Approved by Board of Directors on: 20 May 2026

Full reporting suite:

- Integrated Annual Report — https://finbondgroup.com/financialresults.html
- Annual Financial Statements — https://finbondgroup.com/financialresults.html
- Remuneration Report — https://finbondgroup.com/financialresults.html
- Sustainability / ESG Report — https://finbondgroup.com/esg.html
- Notice of Annual General Meeting — https://finbondgroup.com/downloads.html

STATEMENT BY THE BOARD OF DIRECTORS ON GOVERNANCE OUTCOMES

The Board of Directors confirms that, for the reporting period, Finbond has applied the King V principles and implemented the recommended practices in a manner that has realised value within its economic, social and environmental context.

The governing body is satisfied that Finbond has achieved the governance outcomes of:

- Ethical culture, underpinned by strong conduct and risk culture frameworks
- Performance and value creation, supported by sustainable financial returns and prudent capital management
- Conformance and prudent control, aligned with regulatory expectations and risk appetite
- Legitimacy, through responsible stakeholder engagement and market conduct

PRINCIPLE 1

Ethical and Effective Leadership

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

Characteristics and values of the governing body

The Board of Directors is satisfied that its members, individually and collectively, cultivate and exemplify the characteristics of Integrity, Competence, Responsibility, Accountability, Fairness and Transparency.

Overarching governance role and functions

The Board of Directors is satisfied that it has covered all dimensions of its governance role and fulfilled its responsibilities in accordance with its charter and regulatory obligations for the reporting period.

Meetings and attendance:

Four scheduled Board meetings were held during the reporting period. Per-member attendance at the Board and at its committees is set out in the Corporate Governance Section of the Annual Report.

Key activities for the reporting period:

- Oversight of capital allocation, liquidity and solvency
- Monitoring of risk appetite and risk exposures
- Approval of financial performance and strategic plans
- Oversight of regulatory compliance and conduct risk

Planned areas for future focus:

- Strengthening risk culture and conduct oversight
- Enhancing digital resilience and cybersecurity governance
- Continued focus on ESG and AI governance

Performance evaluation of the governing body

An evaluation of the performance of the Board, its committees, the Chairperson and individual members was conducted during the reporting period. The evaluation did not produce any findings that required measures needed to address them.

The Board of Directors is satisfied that it is functioning effectively, with the agreed remedial actions to be tracked and reported on in the next cycle.

PRINCIPLE 2

Governance of Ethics and Responsible Corporate Citizenship

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

Organisational ethics

The Board of Directors is satisfied that the Group's management of ethics is effective in creating and sustaining an ethical culture. Robust controls are in place for:

- Anti-money laundering (AML)
- Counter-terrorist financing (CTF)
- Anti-bribery and corruption

The Board is satisfied that the arrangements for the prevention and detection of fraud, corruption and money laundering are effective. No material incidents of fraud or misconduct were identified during the reporting period; where minor incidents occurred, they were appropriately addressed in line with the Group's consequence-management framework.

Responsible corporate citizenship

The Board of Directors is satisfied that the Group's purpose, values and the impacts and outcomes of its activities and outputs are congruent with responsible corporate citizenship, including fair customer treatment, financial inclusion and environmental responsibility.

PRINCIPLE 3

Strategy, Performance and Sustainable Value Creation

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

Strategy, performance and sustainable value creation

Purpose: Finbond's purpose is to improve and transform the lives and livelihoods of our clients and the societies we operate in by offering them modern, inclusive financial services and products that benefit and empower them and our stakeholders in a manner that is environmentally responsible.

Strategy: Finbond's strategy is to exceed the expectations of its clients, shareholders, business partners and regulatory stakeholders and, in doing so, sustain the organic growth of Finbond in line with the Board-approved Five-Year Strategic Plan of Action.

Business model: Finbond provides unsecured short-term and longer-term credit and savings products through its operating brands, including Finbond Mutual Bank, Supreme Finance and King Loan Finance, supported by a national branch network and digital channels. Revenue is generated from net interest income, fee income on credit and transaction products, and investment returns on regulatory capital and liquid assets.

For further details on performance and value creation, please see the Value Generation and Value Generation Model sections in the Annual Report.

PRINCIPLE 4

Reporting

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

Finbond publishes integrated and regulatory reports that provide transparent and comprehensive disclosure of performance, risks and prospects. The Board of Directors is satisfied that these disclosures meet the JSE Listings Requirements and other regulatory requirements applicable to the Group.

The full external reporting suite (with links) is set out at the start of this disclosure.

PRINCIPLE 5

Composition of the Governing Body

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

Composition of the governing body

Diversity targets and progress:

- Gender representation target: 10% | Achieved: 12.5%
- Race representation target: 10% | Achieved: 12.5%

Categorisation of members:

Each Board member is categorised as executive, non-executive or independent non-executive in the Directorate section of the Integrated Annual Report. The Board has considered the independence of the independent non-executive directors and is satisfied that there is no interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making in the best interests of Finbond.

Qualifications, experience, tenure and age:

The qualifications, experience, period of service on the Board and the age of each member are disclosed in the Directorate section of the Integrated Annual Report.

Other directorships and professional positions held:

A summary of other material professional positions held by each Board member is disclosed in the Directorate section of the Integrated Annual Report.

Resignations, retirements and removals:

There are no planned retirements, rotations or removals from the Board of Directors at this stage.

Members collectively bring experience in:

- Banking and insurance
- Risk management
- Regulation and compliance
- Finance and accounting
- Consumer rights

All members meet regulatory "fit and proper" requirements.

The Board of Directors is satisfied that its composition reflects the appropriate mix of competencies, diversity and independence for it to fulfil its obligations objectively and effectively.

Nomination and continual development of members

The Board of Directors is satisfied with the process and outcomes of its nomination of suitable candidates to serve as Board members during the reporting period. New appointments followed the formal Nominations Committee process, including fit-and-proper screening requirements.

The Board is further satisfied with its support of members' ongoing development. Robust succession planning is in place and directors undergo ongoing regulatory and governance training.

Chairperson and lead independent member

The Chairperson of the Board is independent. An independent non-executive member has been appointed as Lead Independent Director.

PRINCIPLE 6

Delegation to Committees

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

The governing body's delegation to individuals and committees

The Board of Directors is satisfied that its delegation to committees and to individuals within its own structures promotes the objective and effective discharge of its governance obligations.

Committees of the Board

The Board has established the following standing committees, each operating under formal terms of reference:

- Audit Committee
- Risk Committee
- Remuneration Committee
- Social and Ethics Committee
- Investment Committee

For each committee, the role and associated responsibilities and functions, the composition, the number of meetings held during the reporting period and attendance and the key areas of focus are disclosed in the Corporate Governance section of the Annual Report.

External advisers and regular invitees:

The names of the regular invitees of the Board and its committees are disclosed in the Corporate Governance section of the Annual Report.

Per-committee satisfaction statements:

- **Audit Committee —** the Audit Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.
- **Risk Committee —** the Risk Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.
- **Remuneration Committee —** the Remuneration Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.
- **Social and Ethics Committee —** the Social and Ethics Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference and section 72(8) of the Companies Act.
- **Investment Committee —** the Investment Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.

Audit Committee

- **Combined assurance:** the Audit Committee is satisfied that arrangements for combined assurance are effective, while noting opportunities for further enhancement that will be addressed in the next cycle.
- **External auditor:** the Audit Committee is satisfied that the external auditor is independent of the organisation and has delivered audit quality.
- **Significant matters considered in relation to the annual financial statements:** the Audit Committee considered the following key audit matters raised by the external auditors: impairment of consumer, mortgage and specialised finance loans; and impairment of investments in joint ventures.
- **Internal audit:** the Audit Committee of Finbond Mutual Bank is satisfied that the Head of Internal Audit and the internal audit function are independent of the organisation and have delivered assurance in accordance with the International Standards for the Professional Practice of Internal Auditing.
- **CFO and finance function:** the Audit Committee is satisfied that the CFO and the finance function are effective.
- **Internal financial controls:** the Audit Committee is satisfied that the design and implementation of internal financial controls are effective, and that no significant weaknesses resulted in significant financial loss, fraud, corruption or error during the reporting period; minor control matters identified by internal or external audit have been appropriately addressed.

Remuneration Committee

The Remuneration Committee discharged its responsibilities in accordance with relevant legal requirements. The substantive disclosures required under Principle 11 are made under Principle 11 below.

Social and Ethics Committee

The Social and Ethics Committee discharged its responsibilities in accordance with section 72(8) of the Companies Act and Regulation 43 of the Companies Regulations. The substantive disclosures required under Principle 2 and Principle 13 are made under those Principles.

PRINCIPLE 7

Delegation to Management

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

CEO

Notice period and termination conditions: the CEO's employment contract is a fixed-term contract. The contractual notice period is four weeks at the end of the fixed term. Some executive employment agreements are subject to payments upon early termination of fixed term employment contracts, that include compensation payments and early vesting of share appreciation rights awards and share appreciation rights payments at a predetermined value.

Succession planning: the Board of Directors is satisfied that the succession planning in place for the CEO position adequately safeguards leadership continuity and the stability of the organisation.

Delegation to management

The Board of Directors is satisfied that the Delegation of Authority Framework contributes to operational effectiveness and ensures a clear definition of the respective roles and decision-making authority of the Board and management.

The Board is satisfied that the CEO has implemented succession planning for executive management and other critical positions that ensures depth and continuity of leadership.

Professional corporate governance services

The Board of Directors is satisfied with its arrangements for access to professional and independent guidance on its legal and corporate governance duties, including the support of the Group Company Secretary and external corporate governance advisers where required.

PRINCIPLE 8

Risk Governance

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

Risk

The Board of Directors is satisfied that the risk function, the organisation's risk management system and the overall internal control framework are effective. Where significant weaknesses in internal controls were identified during the reporting period, these were effectively addressed. Material risks include credit risk, liquidity risk and operational risk.

For further detail, please refer to the Risk Management Framework section in the Annual Report.

PRINCIPLE 9

Compliance Governance

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

Compliance

The Board of Directors is satisfied that the system of compliance is adequate and that appropriate oversight mechanisms are in place to ensure the Group operates within its regulatory and risk frameworks. Where deficiencies were identified, appropriate remedial action was promptly taken.

For further detail, please refer to the Compliance, Regulation, Regulators and Regulatory Update sections of the Integrated Annual Report.

PRINCIPLE 10

Data, Information and Technology Governance

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

Data and information

The Board of Directors is satisfied that the management and control of data and information — including its acquisition, creation, use, dissemination and disposal — are effective, compliant with applicable data-protection laws and ethical.

The Board is satisfied that the arrangements for the prevention and detection of information-privacy breaches are effective. No material information-privacy breaches occurred during the reporting period; where minor incidents occurred, they were appropriately responded to in order to manage consequences and prevent future occurrences.

Technology

The Board of Directors is satisfied that the acquisition, development, use and distribution of technology in and by the organisation are effective, compliant and ethical.

The Board is satisfied that the arrangements for the prevention and detection of cyber-attacks are effective. No material cyber incidents occurred during the reporting period; minor incidents were appropriately responded to.

The Board is satisfied that the ethical, legal and operational risks associated with the use of emerging, innovative and disruptive technologies in the organisation are effectively managed and addressed through the Group's technology-governance framework, including formal architecture review, security testing and ethics review of new technology deployments.

With regards to artificial intelligence, the Board is satisfied that accountability for decisions, actions, outputs and outcomes is clearly established. Automated technologies are subject to human oversight and override mechanisms that are commensurate with their level of risk to the organisation and its stakeholders.

PRINCIPLE 11

Remuneration Governance

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

Remuneration

Key remuneration decisions and the factors that influenced them:

Key remuneration decisions taken during the reporting period included salary increases, bonus payments and policy changes. Internal factors considered included performance outcomes, individual performance and retention risk. External factors considered included inflation rates, external remuneration experts and independent remuneration reports.

Use and justification of remuneration benchmarks:

The Remuneration Committee uses external remuneration benchmarks to inform executive and senior management pay decisions.

Fair and responsible executive pay relative to overall employee remuneration:

The Remuneration Committee assesses the fairness and responsibility of executive remuneration in relation to overall employee remuneration on an annual basis. Actions are taken as and when required and there are no employees that earn less than the statutory minimum.

Performance measures, targets, weightings and measurement periods:

Executive variable remuneration is determined against a balanced set of financial and non-financial performance measures aligned to the Group's strategy and to sustainable value creation.

Discretion applied and its impact on pay outcomes:

Discretion was applied by the Remuneration Committee in the reporting period as and when required, with all relevant factors being considered.

Termination obligations in executive employment contracts:

Some executive employment agreements contain obligations that could give rise to payments on termination of employment or office, including compensation payments for early termination of fixed-term employment contracts and the accelerated vesting of share appreciation rights awards in defined circumstances.

Remuneration consultants:

The Remuneration Committee made use of remuneration consultants during the reporting period and is satisfied with their independence and objectivity.

Shareholder votes on remuneration policy and implementation report:

Resolution	% in favour	% against
Non-binding advisory vote — Remuneration policy	100%	0%
Non-binding advisory vote — Implementation report	100%	0%

Both votes were comfortably supported and no remedial engagement was required.

Whether the remuneration policy has achieved its stated objectives:

The Remuneration Committee, on behalf of the Board, is satisfied that the remuneration policy has achieved its stated objectives during the reporting period, including the attraction and retention of appropriately skilled executive and senior management, the alignment of pay outcomes with sustainable value creation for shareholders and other stakeholders, and the fair and responsible treatment of employees across the Group.

PRINCIPLE 12

Assurance

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

Assurance

A combined assurance model integrates the assurance activities of internal audit, risk management, compliance and the external auditor, in accordance with the disclosures made under the Audit Committee in Principle 6. The Board of Directors is satisfied that assurance coverage across the Group is adequate and effective, and that it supports an effective internal control environment and safeguards the integrity of the external reports issued by the organisation.

PRINCIPLE 13

Stakeholder Relationships

Exception declaration:

All recommended practices have been implemented to the extent relevant.

Specific disclosures:

Stakeholder relationships

The Board of Directors is satisfied that the organisation's management of stakeholder relationships upholds the philosophy of Ubuntu-Botho, responsible corporate citizenship and stakeholder inclusivity. Engagement with customers, regulators, employees and communities is structured, regular and informs Board decisions.

For further detail, please refer to the Stakeholder Engagement section in the Integrated Annual Report.

Shareholder engagement

The Board of Directors is satisfied with the quality of the relationship with its shareholders. Regular engagement occurs through SENS announcements and the Annual General Meeting. Material shareholder views are tabled at the Board and inform its decision-making.

Group governance

As a JSE-listed financial-services group, Finbond Group Limited oversees a number of operating subsidiaries through a group governance framework that establishes consistent governance, risk management, compliance and reporting expectations across the Group while respecting the regulatory standing of each subsidiary. The principal South African operating entities under the framework include:

- **Finbond Mutual Bank** — a registered mutual bank governed by its own Board under the Mutual Banks Act and the Prudential Authority's supervisory framework.
- **Supreme Finance** — the Group's branch-based unsecured short-term credit operation, registered with the National Credit Regulator.
- **King Loan Finance** — the Group's newer branded short-term credit operation.
- **Other operating subsidiaries and corporate-services entities** supporting the Group's strategy, registered and supervised as required by applicable law.

Group-level policies, mandates and intra-group reporting lines flow from Finbond Group Limited's Board through the relevant Group committees into each subsidiary's Board, ensuring consistent governance standards while preserving the independent fiduciary responsibilities of each subsidiary Board.

CONCLUSION

The Board of Directors confirms that Finbond has applied King V in all material respects for the reporting period, and that, where any recommended practice has been modified or partially adopted, the explanation and compensating measures are set out in the relevant Principle above. Governance practices are considered to be appropriate for a JSE-listed financial services group.