GRINDROD LIMITED

(Registration No. 1966/009846/06)

MINIMUM SHAREHOLDING REQUIREMENT POLICY

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1. **AIM**

1.1 The Company wants to encourage Executives to hold Shares, and to retain vested Shares awarded to them under the LTIs, to reinforce alignment between Executive and shareholder interests.

1.2 Accordingly, and aligned to best practice within South Africa:

1.2.1 a minimum shareholding requirement is adopted by the Company with effect from 1 January 2025; and

1.2.2 the RemCom has approved the adoption of this Policy.

2. **SCOPE**

2.1 This Policy applies to the Executives.

2.2 The Executives must build up their personal shareholding in the Company to the Target Minimum Shareholding. The Executive's progress towards satisfying the Target Minimum Shareholding will be assessed on each Measurement Date. Executives may use Committed Shares and/or Personal Investment Shares to satisfy the Target Minimum Shareholding.

2.3 Once the Target Minimum Shareholding has been satisfied by an Executive, they will be required to maintain that level of shareholding until termination of their employment with the Company.

3. **DEFINITIONS AND ABBREVIATIONS**

3.1 For purposes of this Policy, the terms below will have the following meanings:

3.1.1 **Board** means the board of directors of the Company;

3.1.2 **Commitment Date** means the date indicated in the Notice of Commitment. A common Commitment Date for the Executives is recorded in the Notice of Commitment for each tranche of LTIs vesting;

3.1.3 **Committed Shares** means Shares that are due to vest in terms of the LTIs that an Executive commits on a pre-tax basis through a Notice of Commitment that has been submitted to, and confirmed by, the RemCom, and **Commitment** and **Committed** shall have corresponding meanings. Until such time as the Target Minimum Shareholding has been satisfied, at least 50% of the Shares comprising the LTI Awards that are due to vest under the LTI must be Committed by the

Executive. For the avoidance of doubt, this shall not preclude the Executive from Committing more than 50% (and up to 100%) of such Shares for purposes of satisfying the Target Minimum Shareholding;

3.1.4 **Company** means Grindrod Limited, a public company registered in accordance with the laws of South Africa under registration number 1966/009846/06;

3.1.5 **Executive** means the Chief Executive Officer and the Chief Financial Officer of the Company, or any other person designated an executive by the RemCom from time to time;

3.1.6 **Holding Period** means the period commencing on the Commitment Date indicated in the Notice of Commitment, during which the Executive undertakes not to dispose of the Committed Shares, and ending on the earlier of:

3.1.6.1 the date of termination of employment of the Executive with the Company for any reason;

3.1.6.2 the abolishment of the MSR by resolution of the RemCom; or

3.1.6.3 the successful application by the Executive to the RemCom for exemption in terms of clause 11;

3.1.7 **LTIs** means the Grindrod Limited Forfeitable Share Plan and any other future long-term incentive plans operated by the Company from time to time and constituted by their respective rules;

3.1.8 **LTI Awards** means Share awards made under any of the LTIs;

3.1.9 **Market Value** means, in relation to a Share on any particular day, the volume weighted average price (VWAP) of a Share on the JSE over the 7 (seven) trading days immediately preceding the day on which the market value is to be determined;

3.1.10 **Measurement Date** means every April after the end of the Company's most recently completed financial year;

3.1.11 **MSR** means the Company's Minimum Shareholding Requirement Policy constituted by this MSR policy, also referred to as this **Policy**;

3.1.12 **MSR Initial Date** means 1 January 2025 (for Executives employed at that date and in scope of this Policy at the time), or the date of designation by the RemCom

(for Executives not yet designated to be subject to the MSR at the date of such RemCom designation) or the date that an individual was employed or appointed as an Executive;

3.1.13 **Notice of Commitment** means the notice signed by the Executive prior to the (i) vesting of the relevant LTI Awards and confirmed by the RemCom, which confirms that the Executive will hold the relevant Shares until the end of the Holding Period to count towards the measurement of their Target Minimum Shareholding;

3.1.14 **Personal Investment Shares** are Shares held by the Executive in their personal capacity in a personal central securities depository participant or brokerage account which are considered when determining satisfaction of the Target Minimum Shareholding and acquired by the Executive from any source, for example:

3.1.14.1 through personal investment, using post-tax cash from any short-term incentive, any cash-settled long-term incentive, or any other personal financial resources; or

3.1.14.2 vested and settled Shares acquired as a result of participation in the LTIs, but which are not Committed towards the MSR before vesting and thus have been taxed and settled in the normal course of business;

3.1.15 **RemCom** means the remuneration committee of the Board;

3.1.16 **Share(s)** means an ordinary share(s) in the capital of the Company;

3.1.17 **Share Price** means, for purposes of determining the Target Minimum Shareholding:

3.1.17.1 when determining the value of Committed Shares, the Market Value of the Shares on the Commitment Date;

3.1.17.2 when determining the value of Personal Investment Shares, the price actually paid by the Executive for the Shares or the Market Value of the Shares on the day of settlement if they were acquired pursuant to the vesting of an LTI;

3.1.18 **TGP** means Total Guaranteed Pay on each Measurement Date; and

3.1.19 **Target Minimum Shareholding** means the minimum percentage of an Executive's annual TGP detailed in clause 6.

4. RESPONSIBILITY FOR REVIEW

4.1 This Policy will be reviewed and amended by the RemCom in conjunction with all relevant stakeholders in accordance with:

4.1.1 internal requirements (e.g. employee, business and operational);

4.1.2 any changes in legislation and/or regulations; and

4.1.3 evolution of best practice in corporate governance and remuneration practices.

5. RESPONSIBILITY FOR IMPLEMENTATION

The Group Executive: Human Resources is responsible for the implementation of this Policy.

6. TARGET MINIMUM SHAREHOLDING

6.1 The following Executives will be subject to the MSR with the associated Target Minimum Shareholding:

6.1.1 CEO: 200% of TGP; and

6.1.2 CFO: 150% of TGP.

7. COMMITMENT TO HOLDING SHARES VESTING IN TERMS OF THE LTIS

7.1 Executives subject to the MSR will be given the opportunity, as soon as practically possible before the vesting of LTI Awards, to commit to holding the Shares that are about to vest for a further Holding Period by completing the Notice of Commitment, set out in **Annexure A**.

7.2 For the avoidance of doubt, the LTI Awards will continue to vest as envisaged in terms of the relevant LTI rules. However, the Commitment should postpone the vesting date for tax purposes of the LTI Awards until the expiry of the Holding Period on the basis that such Shares may not be disposed of.

7.3 The Commitment will mean that the settled Shares will be subject to an escrow holding arrangement and may not be sold or disposed of, and the beneficial interest therein must be retained, until the expiry of the Holding Period.

7.4 The Committed Shares will not be subject to any additional forfeiture provisions following the original (LTI) vesting date. The escrow holding arrangement means that the Shares will be held by an escrow agent appointed by and acting on the

instructions of the Company (the details of which will be provided to the Executive) for the ultimate benefit of the Executive, subject to the restrictions, until the end of the Holding Period. Any costs arising from the escrow holding arrangement will be borne by the Company until the expiry of the Holding Period.

7.5 The terms of such Notice of Commitment will be set by the RemCom, but will include the following:

7.5.1 the Executive will Commit all or a portion of their unvested LTI Awards towards the satisfaction of the Target Minimum Shareholding (and no less than 50% thereof until such time as the Target Minimum Shareholding has been satisfied), which will be subject to disposal restrictions until the expiry of the Holding Period; and

7.5.2 the Committed Shares will be released from the escrow holding to the Executive (through the transfer thereof to their personal central securities depository participant or brokerage account) as soon as possible upon the happening of one of the following events:

7.5.2.1 termination of employment for any reason whatsoever;

7.5.2.2 abolishment of the MSR by resolution of the RemCom; or

7.5.2.3 the successful application by the Executive to the RemCom for exemption in terms of clause 11.

8. PERSONAL INVESTMENT SHARES

8.1 Personal Investment Shares will be considered when determining the satisfaction of the Target Minimum Shareholding on each Measurement Date.

8.2 Where an Executive holds Personal Investment Shares, they are required to submit proof of Shares held to the Company Secretary on each Measurement Date.

8.3 For the avoidance of doubt, Personal Investment Shares are not subject to any restrictions and may be freely disposed of at any time by the Executive.

9. MEASUREMENT OF THE TARGET MINIMUM SHAREHOLDING

9.1 To establish whether and the extent to which the Target Minimum Shareholding has been met, the following principles will be applied:

9.1.1 For purposes of this clause, **Retained Shares** refers to Personal Investment Shares or Committed Shares which have been retained until each Measurement Date.

9.1.2 The Target Minimum Shareholding value will be determined on each Measurement Date, using the applicable TGP and the applicable percentage outlined in clause 6.

9.1.3 The value of the Retained Shares will be determined as the sum of the number of Shares, multiplied by the Share Price, adjusted where applicable to reflect the tax gross-up (defined below), for each retained tranche of Shares still held on the Measurement Date.

9.1.4 In the case of Retained Shares which have been acquired using after-tax funds, including Personal Investment Shares, the value of that tranche will be adjusted to reflect the pre-tax value of those funds (the **tax gross-up**) using the formula below:

A = B / (1 – C)

where:

A is the pre-tax value of the tranche;

B is the post-tax value of the tranche; and

C is the Executive's marginal rate of personal income tax when the Share Price was set.

9.1.5 This combined value of all tranches of Retained Shares should equal or exceed the Target Minimum Shareholding applicable to the Executive.

9.2 For the avoidance of doubt, unvested LTI Awards are not considered when assessing whether and the extent to which the Target Minimum Shareholding is satisfied. For the sake of clarity, this refers to unvested LTI Awards which have not vested in terms of the applicable LTI rules and does not refer to Committed Shares (which have not vested for tax purposes but have vested in terms of the LTI rules).

10. TAXATION OF COMMITTED SHARES

10.1 Committed Shares may not be disposed of by the Executive until the expiry of the Holding Period. Following that date, the Committed Shares will vest for tax purposes, and may be freely traded.

10.2 The Executive will become liable for income tax on the Market Value of the Committed Shares on the expiry of the Holding Period, and may elect to:

10.2.1 sell sufficient Committed Shares to cover the tax liability;

10.2.2 pay the tax liability using their own funds; or

10.2.3 sell all the Committed Shares, covering the tax liability, and retain the remaining funds.

11. REMCOM DISCRETION

11.1 The applicability of the MSR or any part thereof may be waived where:

11.1.1 the RemCom is satisfied that the Executive has already met the Target Minimum Shareholding through a personal or family investment entity (relative to their Target Minimum Shareholding) of which the Executive and/or their spouse and/or children are the sole beneficiaries of the Company; and/or

11.1.2 there are extreme circumstances such as “financial hardship” or “business unusual”; and/or

11.1.3 any other circumstances deemed reasonable by the RemCom exist.

11.2 The RemCom further retains the discretion wherever indicated in this Policy.

11.3 The RemCom retains the discretion to release an Executive from their obligation in respect of the Notice of Commitment upon written application to the RemCom which should be formally approved by the RemCom.

12. ANNUAL REVIEW

On each Measurement Date, the RemCom shall assess the Executive’s progress towards satisfying the Target Minimum Shareholding and the Executive’s progress in this regard shall be reported on by the Company in its annual remuneration report. If the Executive is not on track to meet the Target Minimum Shareholding, a plan should be agreed upon in order to ensure this is addressed.

ANNEXURE A

[Insert date]

[Insert name]

STRICTLY CONFIDENTIAL

GRINDROD LIMITED- TARGET MINIMUM SHAREHOLDING REQUIREMENT

Dear [insert],

The Company requires you, as an Executive, to hold Shares in the Company in line with the Company's Minimum Shareholding Requirement Policy (the **MSR Policy**). As an Executive of the Company, you are expected to achieve a Target Minimum Shareholding of [insert] of your annual TGP. The MSR Policy sets out the various ways through which you can achieve the Target Minimum Shareholding and the terms and conditions that need to be complied with in order to achieve this.

The purpose of this letter is to invite and record your specific commitment to comply with the MSR Policy by undertaking to hold LTI Shares in escrow (the **Committed Shares**) until the expiry of the Holding Period of your Target Minimum Shareholding (the **Commitment**). The Committed Shares will be released from the escrow holding to you (through the transfer thereof to your personal central securities depository participant or brokerage account) as soon as possible after the expiry of the Holding Period.

Please sign and return the enclosed Notice of Commitment by no later than [insert date] to [insert relevant contact person]. Please retain a copy of this letter for your records.

On completion and return of the Notice of Commitment, you will receive a communication from the Company confirming and specifying the details of the Commitment, which will be subject to the provisions of the MSR Policy.

Should you have any queries in relation to the MSR Policy please contact [insert relevant contact person].

Yours sincerely,

_____

[Insert name]

[Insert position]

NOTICE OF COMMITMENT

I, the undersigned, hereby make the following Commitment in so far as it relates to my contribution to the Minimum Shareholding Requirement (**MSR**) of Grindrod Limited (the **Company**) for the Target Minimum Shareholding under the MSR Policy.

COMMITMENT OF LTI AWARDS TO BE SETTLED UNDER THE GRINDROD LIMITED FORFEITABLE SHARE PLAN

I commit [50%-100%] of my Committed Shares prior to vesting thereof relating to the FY [insert] period on a pre-tax basis to contribute to the satisfaction of the MSR. I understand that following this Commitment, my Committed Shares will be held in escrow until the expiry of the Holding Period in terms of the MSR Policy and that I may not dispose of or otherwise encumber the Committed Shares until the expiry of the Holding Period.

It is recorded that the Commitment Date, as defined in the MSR Policy is [insert].

The above Commitment is subject to the terms and conditions set out in the MSR Policy, by which I am bound and with which I am fully acquainted.

SIGNED AT _____ ON THIS _____ DAY OF _____ 202[●].

_____ _____

Name Signature