

## Technology Divisional Board Mandate

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### 1. Purpose

- 1.1. The Technology Divisional Board (TDB) is responsible for implementing and executing effective information and technology (IT) management and related investment priorities for the Mr Price Group (Group), in line with IT policy.
- 1.2. The TDB derives its authority from the Risk and IT Committee (RITC), a committee of the board of directors (Board).
- 1.3. Members of the TDB are appointed by the RITC and are accountable to the Board through the RITC.
- 1.4. The TDB will:
  - 1.4.1. provide strategic leadership for Technology through the alignment of Technology strategic objectives and activities with Group strategic objectives and processes to support the achievement of same
  - 1.4.2. prioritise Technology investment initiatives and deliver final approvals and recommendations on Technology projects, and the review of progress of Technology projects, and
  - 1.4.3. ensure open communication between the Technology department and the other functional units of the Group so as to promote collaborative IT planning and management.
- 1.5. The TDB is not responsible in any way for the Technology department's associates, or any other aspect of day-to-day Technology operations.

### 2. Composition

- 2.1. Members of the TDB will be determined by the RITC from time to time and should include:
  - the Group CEO as Chair;
  - the CFO;
  - the Group CIO as vice-chair;
  - the Technology Executives and
  - any other members appointed by the RITC from time to time, with the trading and support service division MD's as permanent invitees.
- 2.2. All members of the TDB are required to understand the Technology department's policies, procedures and practices.
- 2.3. If any member is unable to attend at least 2 (two) TDB meetings in any twelve-month period, the chair will designate a replacement. If the chair is unable to attend at least 2 (two) TDB meetings in any twelve-month period, then the TDB will appoint a replacement.
- 2.4. The TDB may invite additional invitees to the meetings from time to time.

### 3. Role and responsibilities

- 3.1. The TDB must manage IT such that it results in the outcomes as detailed in the practices incorporated in principle 12 of King IV, and ultimately achieves the governance outcome of supporting the Group in setting and achieving its strategic objectives.
- 3.2. The TDB must ensure that the IT strategy is updated on a regular basis and is aligned to Group strategy.
- 3.3. Subject to specific requirements set out by the management investment committee (if applicable), proposals for new IT initiated projects must follow a specific business case methodology as mandated by the TDB. This methodology includes clear definitions of business requirements/ needs and a cost/benefit analysis.
- 3.4. These proposals may be presented and discussed outside of the TDB meetings at the designated prioritisation meeting and included for ratification at the subsequent TDB meeting.

- 3.5. If a proposed project has not been budgeted for in the annual approved budget, then TDB approval must be sought and obtained before such project proceeds beyond the scope and objectives phase, which includes a description of the business solution, benefits and return on investment, as well as project costs.
- 3.6. Electronic copies of all IT initiated proposals will be made available to the members of the TDB prior to the meeting, at least 7 (seven) working days in advance of the TDB meeting.
- 3.7. All IT initiated proposals or proposals which impact IT must be reviewed and approved for technological merit and fit to the documented IT architectural strategy, by the Technology department.
- 3.8. The TDB has the authority to reject any proposal which it deems not to have made a sufficient business case or does not conform to the Group IT architecture and roadmap or which does not significantly contribute to the strategic goals of the Group.
- 3.9. At each meeting, the TDB will receive progress reports on all previously approved proposals and current projects. The TDB can recommend the termination of any project which is not meeting its projected goals.
- 3.10. Each year, the TDB will provide the RITC with a report that reviews project progress for the previous financial year and set a priority list of projects for the coming financial year.
- 3.11. The TDB is responsible for monitoring the execution of the IT governance arrangements as well as ensuring compliance to applicable laws, regulations, policies and standards.
- 3.12. The TDB may consider receiving periodic, independent assurance on the effectiveness of the technology and information arrangements, including outsourcing.
- 3.13. The TDB should -
  - 3.13.1. ensure the security of information,
  - 3.13.2. ensure security standards, policies, and processes are embedded across the Group,
  - 3.13.3. ratify the Disaster Recovery plan and test same on an annual basis,
  - 3.13.4. ensure that the enterprise IT architecture reflects all important requirements, including legal and regulatory compliance, ethics and business continuity,
  - 3.13.5. identify and report on IT key risks, specifically those that may impact the Group strategic objectives,
  - 3.13.6. identify and report on key performance indicators, specifically those that may impact the Group strategic objectives, and
  - 3.13.7. monitor service levels.
- 3.18. The TDB shall annually prepare the necessary IT disclosure required for the annual integrated report. This disclosure will be prepared in accordance with King IV and will be reviewed and approved by the RITC.

#### **4. Delegation of authority**

- 4.1. The TDB shall be entitled to delegate certain project decisions and operational matters to committees or steering committees as it deems fit and as is necessary to fulfil its roles and responsibilities. Such matters may include –
  - 4.1.1. investment decisions;
  - 4.1.2. project steering; and
  - 4.1.3. operating models and structural changes.
- 4.2. The authority, roles and responsibilities devolved to these committees will be determined by the TDB and reviewed as appropriate but at least once a year.
- 4.3. The membership of these committees will be approved by the TDB or project sponsors.

#### **5. Meeting procedures**

- 5.1. The TDB shall meet on a regular basis and must hold sufficient meetings to discharge its duties as set out in this mandate and at least 4 times per year.
- 5.2. These meetings will be scheduled by the TDB chairman or designated proxy.
- 5.3. The agenda of TDB meetings will include the following:
  - 5.3.1. review strategic imperatives of the Technology division and approve any suggested adjustments
  - 5.3.2. review major projects in progress and discuss concerns – status, issues and risks,

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- 5.3.3. review and approve, decline, or defer new project proposals,
- 5.3.4. review any changes in Technology/business capacity,
- 5.3.5. review the project priority list to consider adjustments, and
- 5.3.6. review and approve the deployment of Technology investments across the Group.

## 6. Operational documents

- 6.1. Documentation formats for the business case methodology are contained in the PMO framework and methodologies.
- 6.2. System Development Life Cycle (SDLC) standards are complemented by the respective frameworks and standards.
- 6.3. All governance related documentation, such as the policies governing security and access control, investment processes and others, have been audited and are kept in a Share Point site, which can be extracted and distributed as required.
- 6.4. Operational requirements for disaster recovery processes are kept in its Share Point Site, which can be extracted and distributed as required.
- 6.5. The IT risk register is maintained by the Technology department.

## 7. Review

The TDB and the RITC will review the mandate annually.

This mandate was approved on 23 November 2021.



**MM Blair**

Chief Executive Officer  
Mr Price Group



**K Sim**

Chief Information Officer  
Mr Price Group