

The beliefs of Passion, Value and Partnership as expanded on in the group's code of conduct, is the group's internalisation of ethics and the standard of conduct against which each director and the board is measured. The governance framework, which sets out the group's reporting structure, is on pages 100 - 101.

Role

The board is the custodian of corporate governance and is responsible for guiding the group towards achieving the governance outcomes through steering strategic direction and value creation as set out in the board's mandate, published on the group's website: www.mrpricegroup.com, this includes:

- Providing ethical and effective leadership
- Ensuring the group is, and is seen to be, a responsible corporate citizen
- Overseeing value creation to ensure the achievement of positive outcomes for all stakeholders
- Steering and setting strategic direction and monitoring group performance to achieve strategy
- Monitoring ethics, board composition, risk, remuneration, technology and information, compliance and assurance through its various committees
- Ensuring a stakeholder-inclusive approach

The key areas of focus for the reporting period were:

- Continued monitoring and overseeing the appropriateness of management's response to the operating and financial impact of COVID-19 to support associates and protect group assets and business continuity
- Overseeing the appropriateness of management's response to the operating and financial impact of the July civil unrest to support associates and protect group assets and business continuity
- Supporting management with the closing and integration of the group's acquisition of Power Fashion and Yuppieschef
- Supporting management with the negotiations of the group's acquisition of Studio 88
- Under the guidance of the remuneration and nominations committee, ensuring the board composition continues to support the delivery of strategy and creation of value
- Monitoring and supporting the group's strategic objectives in pursuit of its vision and purpose
- Ensuring the group's business model is transforming to support an increasingly digital future, including oversight of the group's relaunch of its ecommerce platform and the go-live of the new enterprise resource planning (ERP)

system (as delegated to the risk and IT committee)

- Undertaking board and committee evaluations

Future areas of focus are:

- Supporting management with the closing and integration of the group's acquisition of Studio 88 (subject to fulfillment of conditions)
- Under the guidance of the remuneration and nominations committee, ensuring the composition of the board continues to support the delivery of strategy and value creation through deliberate identification and addition of board skills required to achieve this
- Continued monitoring and support of the group's strategic objectives in pursuit of its vision and purpose
- Under the guidance of the risk and IT committee, oversee the stabilisation of the ERP system implementation
- Implement recommended changes from board and committee evaluations
- Under the guidance of the social, ethics, transformation and sustainability committee, oversee the group's ESG functions and disclosure in pursuit of achieving its vision to be the most valuable retailer in Africa

King IV™



This King IV™ overview is included to provide guidance to stakeholders on how and where to find disclosure on general application of the King IV™ practices and the specific disclosures required in relation to each principle.

The impact of corporate governance on the group cannot be underestimated. Poor corporate governance will ultimately result in poor business practices. The value of good corporate governance is highlighted during times of crises and uncertainty, as continues to be experienced globally with the COVID-19 pandemic and locally with the 2021 civil unrest. The group's application of the outcomes based and holistic approach of King IV™ continues to be integrated into the daily aspects of the business. The ultimate goal remains the realisation of an ethical culture, good performance, effective control and legitimacy.

King IV™ Disclosures in this Report

As the cornerstone of good corporate governance, the meaningful and group-wide incorporation of the King IV™ corporate governance practices in the group's day-to-day operations is the key input to achieving the desired governance outcomes and creating value for stakeholders. The board chooses to not publish an application register. It has rather integrated the application of the King IV™ principles and practices through the content of this report so as not to adopt a tick-box approach to governance.

The group has endeavoured to provide relevant and material disclosure of not only the specific King IV™ matters requiring disclosure but also additional practices and procedures, to enable stakeholders to make informed decisions based on material and meaningful information.

As part of the King IV™ board and committee evaluation conducted during the reporting period, and in the opinion of the independent assessor, the group complies with the provisions of the King IV™ Code in regard to the effectiveness of the chairs and the operations of the board and its committees.

The board is of the opinion that all King IV™ principles have been applied across the group.

During the reporting period, the application of principles 11 (risk governance), 12 (technology and information governance), 13 (compliance) and 16 (stakeholders) received continued focus. For further details, refer to the enterprise risk management on pages 68 - 75 and the stakeholder value creation section on pages 48 - 53 of the **Integrated Report** ➔; the risk and IT committee section on pages 109 of the board report; and the compliance section on page 12 - 13 of the **annual financial statements** ➔.

The following governance documents are located on the group's website: www.mrpricegroup.com

- (i) Board and (ii) committee mandates
- Policies for the (i) appointment of directors and (ii) promotion of gender and ethnicity diversity on the board
- Outline of board and management committees
- Internal audit annual assurance statement
- Code of conduct
- Memorandum of incorporation
- Notice of 2022 AGM, which will be published no later than 25 July 2022

As a quick reference guide the primary King IV™ disclosure items can be located on the following pages throughout this report:

Principle:	Pages:
1 Leadership	94 - 99
2 Organisational ethics	131 - 132
3 Responsible corporate citizenship	112 - 143
4 Strategy and performance	60 - 89*
5 Reporting	91 - 111
6 Board	94 - 111
7 Board composition	98, 99, 102 - 103
8 Board committees	105, 107 - 111
9 Board performance evaluation	106
10 Appointment and delegation to management	106
11 Risk governance	68 - 75, 109*
12 Technology and information governance	109
13 Compliance governance	12 - 13*
14 Remuneration governance	144 - 171
15 Assurance	10*, 8 - 9#
16 Stakeholders	48 - 53

* integrated report

annual financial statements

Board Statement

The board is satisfied it has fulfilled its responsibilities in accordance with its mandate for the 2022 financial year and has provided relevant information to stakeholders to satisfy the King IV™ disclosure requirements.

The board confirms the group's compliance with the Companies Act, 71 of 2008 (Companies Act) and the Company's memorandum of incorporation for the reporting period.

