

## Remuneration and Nominations Committee

Chair: Mark Bowman

Members: Keith Getz, Lucia Swartz (appointed 1 June 2021), Nigel Payne

The committee is constituted as a committee of the board and has been delegated responsibility for overseeing the remuneration activities of the group and the nominations activities in respect of the board. The committee mandate is available on the group's website [www.mrpricegroup.com](http://www.mrpricegroup.com).

### Role

The board aims to deliver the most desirable outcomes and practices that appropriately balance the wellbeing of all interested stakeholders in both a transparent and integrated manner while overseeing the composition and performance of the board and its committee. The committee oversees the group's approach to remuneration to maintain fair, equitable and responsible remuneration in line with the group's strategy. The committee is responsible for ensuring the remuneration processes are consistent and aligned, thus ensuring the intellectual capital required to achieve the group's imperatives are attracted, motivated, retained and rewarded.

In addition, the committee oversees the composition and performance of the board and its committees.

### Key areas of focus for the reporting period were:

#### Executive remuneration:

- Approval of total packages for executive directors
- Approval of short-term incentive (STI) structure with performance criteria linked to financial performance, strategic KPIs and leadership as well as COVID-19 risk management
- Approval of long-term incentive awards and performance conditions, including, on the

- recommendation of the SETS committee, the SETS scorecard (sustainability KPIs) applicable to LTIs
- Approval of the CEO's retention award
- STI outcomes for the period ending 2 April 2022 were reviewed and approved

#### Associate remuneration:

- Review of fair and responsible remuneration with an emphasis on equal pay for work of equal value
- Review of remuneration and benefit structures of new acquisitions
- Review of all current associate benefits across the group
- Flexible benefits in the form of flexible retirement savings, affording associates greater flexibility to structure their retirement contributions while providing financial advice and support throughout
- Standardised STI structures across the group including alignment of STI structures to the grading system to ensure appropriate link to divisional and company performance across the different levels

#### Other activities:

- The ongoing board refresh and skills focus including identification of suitable new directors
- Adapting to the impact of COVID-19 on the organisation's performance and possible consequences on remuneration and retention. Associates were provided with additional wellness support and no large-scale retrenchments or reduced salaries occurred
- Engaging with and responding to shareholder remuneration questions

### Committee statement

The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2022 financial year.



## Risk and IT Committee

Chair: Nigel Payne

Members: Daisy Naidoo, Jane Canny, Mark Blair, Mark Stirton

The risk and IT committee (RITC) has been delegated responsibility for governing and overseeing the risk and information technology (IT) activities of the group. The RITC mandate is available on the group's website [www.mrpricegroup.com](http://www.mrpricegroup.com).

### Role

The committee is responsible for assisting the board in its oversight of risk, reviewing the group's risk appetite and risk profile in relation to strategy, reviewing the effectiveness of the group's risk management framework and the methodology used in determining the group's risk profile and respective responses. The committee's responsibility is to ensure that risks and opportunities are considered and managed in a manner that influences and fulfils the setting and achievement of the group's strategy (detailed in the enterprise risk management section on pages 68 - 69 and material matters section on pages 70 - 75 of the [Integrated Report](#)).

To fulfil its role, the committee oversees management's implementation and execution of effective risk management which includes mitigation responses to key risks, reducing risks to within risk tolerance, insurance cover, business resilience, IT risk management and related assurance mechanisms. In addition, the committee plays an oversight and advisory role over the group's IT strategy.

### Key areas of focus for the reporting period were:

- Continued guiding and monitoring management's response to the COVID-19 pandemic as well as the July 2021 civil unrest,
- Ensuring timely insurance claims and respective recoveries arising out of the July 2021 unrest
- Reviewing the results of the risk maturity assessment and supporting management in its response
- Continued monitoring to achieve a more integrated, proactive and continuous enterprise risk management (ERM)
- Overseeing progress towards the successful delivery of the group's IT transformational projects, including the implementation of the group's new Oracle ERP system as well as the upgraded Magento 2 ecommerce platform
- Overseeing continued delivery of the group's cyber security roadmap and the improvement of the group's security posture
- Overseeing the group's planning of systems integration with Power Fashion and Yuppiefchef where applicable
- Supporting management on new opportunities in omni-channel, digital transformation, further automation and innovation.

Management of the effectiveness of technology and information takes place through various toolsets and forums within the Technology and Advance centers of excellence:

- Daily and weekly sessions to prioritise and ensure any issues are flagged, dealt with expediently and feedback provided
- Change advisory board monitors and approve changes to production systems on a weekly basis
- Project control board which monitors strategic and business as usual projects in terms of scope, timeline, budget and resources on a biweekly basis
- IT exco which oversees all key IT matters on a biweekly basis
- IT divisional board meeting which reports on key items and progress including risks and KPIs on a quarterly basis.

All key IT matters are subsequently reported to the RITC.

### Key areas of future focus are:

- Continued stabilisation and optimisation of the Oracle ERP and Magento 2 solution and roadmap
- Continue to deliver against the cyber security roadmap
- Further investment into future-proofing core infrastructure, including servers, storage, networks and monitoring tools and the continued migration off legacy solutions
- Invest in customer-centric solutions to service both internal and external customers
- ERM methodology enhancements
- Integrated assurance
- Risk appetite and tolerances
- Resilience and crisis management

### Committee statement

The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2022 financial year. The committee confirms there were no major IT incidents or security breaches during the reporting period.