# KING IV™ APPLICATION REGISTER FOR THE SEA HARVEST GROUP

## FOR THE YEAR ENDED 31 DECEMBER 2024



# A 60-YEAR JOURNEY

## A LEGACY OF LIFE, GROWTH AND GLOBAL IMPACT

2024

1964

SEA HARVEST IS ESTABLISHED IN SALDANHA BAY

# NAVIGATING OUR REPORT

Visit **www.seaharvestgroup.co.za** to download electronic copies of all our reports.




### Our Integrated Report

Sea Harvest Group Limited's Integrated Report (**IR**) is our main report to our stakeholders; it details our value-creation story for the year ended 31 December 2024 and the factors that contributed to our performance for the year under review.




### Our Annual Financial Statements

Sea Harvest Group Limited's Annual Financial Statements (**AFS**) is a comprehensive report of our financial performance and position for the year ended 31 December 2024.



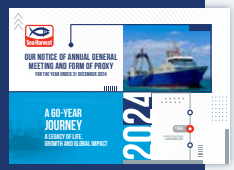

### Our Environmental, Social and Governance Report

Sea Harvest Group Limited's Environmental, Social and Governance (**ESG**) Report provides additional reporting on how the Group drives positive change and the long-term sustainability of our people and the planet.




### Our KING IV™ Application Register

Sea Harvest Group Limited's application of the King IV™ principles ensures that the governance outcomes relating to an ethical culture, effective leadership, good performance and legitimacy are firmly embedded within the Group.




### Our Notice of Annual General Meeting and Form of Proxy

Sea Harvest Group Limited's Notice of Annual General Meeting (**AGM**) and Form of Proxy comprise information required by the Companies Act, No 71 of 2008 of South Africa (Companies Act), the Johannesburg Stock Exchange (JSE) Limited Listings Requirements and King IV Report on Corporate Governance™ (King IV™)* to our shareholders.

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## OUR CAPITALS

Refer to our **IR** pages 44 to 55

- NC Natural Capital
- HC Human Capital
- SC Social and Relationship Capital
- MC Manufactured Capital
- IC Intellectual Capital
- FC Financial Capital

## OUR KEY STAKEHOLDERS

Refer to our **IR** pages 36 to 43

- Employees and labour unions
- Industry partners
- Shareholders
- Customers and consumers
- Funders
- Suppliers and service providers
- Government and regulators
- Communities and non-governmental organisations (NGOs)

## OUR MATERIAL MATTERS

Refer to our **IR** pages 68 to 79

- Operating efficiently
- Driving transformation
- Protecting our brands
- Managing relationships
- Optimising financial capital
- Acting responsibly

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### Integrating ESG into investments

Sea Harvest's 2024 integrated reporting includes our standalone **ESG** Report that provides a range of ESG information relating to various aspects of Sea Harvest's business relevant to various stakeholders. The **ESG** Report includes information relating to Sea Harvest's performance in terms of King IV™ as well as details relating to the Group's commitment to supporting the UN SDGs.

## UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS)

- No poverty
- Zero hunger
- Good health and well-being
- Quality education
- Gender equality
- Clean water and sanitation
- Affordable and clean energy
- Decent work and economic growth
- Industry, innovation and infrastructure
- Reduced inequalities
- Sustainable cities and communities
- Responsible consumption and production
- Climate action
- Life below water
- Life on land
- Peace, justice and strong institutions
- Partnerships for the goals

Information regarding Sea Harvest Group's response to the 17 UN SDGs is woven throughout our **IR** and **ESG** Report.

Refer to pages 68 to 79 of our **IR** for information on our material matters, which are the main reference within our business when considering how we can support the UN SDGs.

# 01

# KING IV™ APPLICATION REGISTER

King IV™ principles and application 04

**1964**

SEA HARVEST
IS ESTABLISHED IN
SALDANAH BAY



**2024**

THE GROUP HAS SUCCESSFULLY ACQUIRED
100% OF TERRASAN'S
PELAGIC BUSINESS AND A
63.07% STAKE IN ITS
ABALONE BUSINESS, AQUNION

# KING IV™ APPLICATION REGISTER

FOR THE SEA HARVEST GROUP 2024 INTEGRATED REPORT

Sea Harvest Group Limited (the Group) is listed on the Johannesburg Stock Exchange operated by the JSE Limited (JSE). Paragraph 3.84 of the JSE Limited Listings Requirements stipulates that issuers must comply with certain specific requirements concerning corporate governance. The Group complies with all the requirements of paragraph 3.84. The Board's primary objective in terms of applying the King IV™ principles is to ensure that the governance outcomes relating to an ethical culture, effective leadership, good performance and legitimacy are firmly embedded within the Group. For the period ended 31 December 2024, the Group applied the principles of King IV™ as disclosed in the table below.

## KING IV™ PRINCIPLES AND APPLICATION

01

## LEADERSHIP

### PRINCIPLE 1

The governing body should lead ethically and effectively.

**Application**

The Board provides leadership and strategic guidance aimed at ensuring value creation and protection over the long term for all stakeholders. The Board's leadership and guidance are provided within a framework of ethical and prudent controls, which support the establishment of an ethical culture. In addition, detailed reporting to the Board by its Committees further enables a higher level of oversight and effective decision making by the Board.

All members of the Board possess the requisite skills to appropriately discharge their responsibilities and to provide the necessary strategic guidance to the Group.

Board members are individually and collectively accountable for their ethical and effective leadership of the Group and are required to conduct themselves in accordance with the Group's Code of Conduct and their duties under the Companies Act, No 71 of 2008 (Companies Act) as amended.

The Board Charter outlines the policies and practices of the Board on matters such as directors' dealings in the securities of the Company, which are done in accordance with legislation and JSE prescripts and further supported by the Group's Share Dealing Policy. Directors adhere to the Companies Act requirements in relation to the declaration of directors' personal financial interests and their obligations in terms of the Share Dealing Policy.

The Company Secretary regularly informs directors, executives and senior employees of the insider trading legislation and advises them of closed periods.

The Company consistently reviews and updates its Code of Conduct, aiming to ensure its continued effectiveness and relevance. The Code of Conduct is applicable to all directors and the entire Company, emphasising the commitment to maintain the highest standards of integrity and ethical conduct.

The performance of the Board is assessed through the annual Board evaluation process. This includes an assessment of the achievement of Board objectives that is administered by the Company Secretary to ensure effective leadership and governance through adherence to the Board Charter.

Sea Harvest Group Board Charter

Sea Harvest Group Code of Conduct

Sea Harvest Group Share Dealing Policy

**2024 ESG Report**



# KING IV™ APPLICATION REGISTER CONTINUED

## KING IV™ PRINCIPLES AND APPLICATION CONTINUED

02

### ORGANISATIONAL ETHICS

#### PRINCIPLE 2

The governing body should govern the ethics of the Company in a way that supports the establishment of an ethical culture.

**Application**

The Board demonstrates the Group's values in its conduct, including the principles of ethical business practice and the requirements of being a responsible corporate citizen. The Group Code of Conduct is well developed and embedded within the business.

Management has been delegated the responsibility for the implementation and execution of the Code of Conduct. The Board, with the assistance of the Audit and Risk Committee and the Social, Ethics and Sustainability Committee, exercises ongoing oversight of the management of ethics, monitoring the Group's activities with regard to ethics and ensuring ethics are integrated in the operations of the Company.

The Group's Code of Conduct is published on the Group's website and is made available to all employees and stakeholders. The Group's Code of Conduct guides engagements with the Group's various stakeholders, including employees.

The Group operates an anonymous tip-off reporting telephone line through external advisors. This anonymous telephone line provides an impartial facility for all stakeholders to report deviations from ethical behaviour. The Company's whistle-blowing system is utilised through the telephone line. The Group's committees review feedback on material matters received from the respective business units and the anonymous tip-off line.

The Board, supported by its committees, is dedicated to fostering an ethical culture of transformation within the Group. This commitment involves considering race and gender diversity; ensuring fair, responsible and transparent remuneration; and prioritising the ongoing development and training of employees. The Board also acknowledges the transformative impact that the Group may have, benefiting all stakeholders and contributing to the development of the communities in which the Group operates.

**2024 IR**

- Our Audit and Risk Committee Report **pages 115 to 119**

Sea Harvest Group Board Charter

Sea Harvest Group Code of Conduct

**2024 ESG Report**



# KING IV™ APPLICATION REGISTER CONTINUED

## KING IV™ PRINCIPLES AND APPLICATION CONTINUED

### 03 RESPONSIBLE CORPORATE CITIZENSHIP

#### PRINCIPLE 3

The governing body should ensure that the Company is and is seen to be a responsible corporate citizen.

**Application**

In overseeing the Group's conduct as a good corporate citizen, the Board approves the strategy of the business, including material matters related to sustainability.

Through stakeholder engagement and collaboration, the Group has committed to understanding and being responsive to the interests and expectations of stakeholders and to partnering with them in finding lasting solutions. The Social, Ethics and Sustainability Committee is responsible for driving the advancement of social development of the communities in which we operate through collaborative partnerships with organisations that share our values of pioneering socio-economic transformation. Responsible corporate citizenship is strongly embedded in the Group's strategy, which, at its core, is based on operating a sustainable business.

The Group invests in its Social Capital by way of social transformation and empowerment initiatives and in community development through the work done by the Sea Harvest Foundation and the South African Fisheries Development Fund. In conducting its activities, processes comply with international and local legislative requirements.

The Board, with the support of the Social, Ethics and Sustainability Committee and the Group executive, oversees and monitors how the operations and activities of the Group affect its status as a responsible corporate citizen. This is measured against performance targets agreed with management in support of the Group's strategic imperatives.

The Group's Integrated Report and Environmental, Social and Governance Report detail its progress against its priorities. It outlines the Group's advancements in line with its priorities and sustainability framework. This progress is assessed within the framework of key sustainability challenges. The reports highlight the Group's commitment to making a meaningful contribution to sustaining the environment for future generations.

**2024 IR**

- Our value-creation business model **pages 22 to 24**
- Our capitals **pages 44 to 55**
- Our key stakeholders **pages 36 to 43**
- Our Chairperson's Report **pages 26 to 28**
- Our CEO's Report **pages 63 to 67**

Sea Harvest Group Board Charter

Sea Harvest Group Code of Conduct

**2024 ESG Report**

### 04 STRATEGY AND PERFORMANCE

#### PRINCIPLE 4

The governing body should appreciate that the Company's core purpose, its risks and opportunities, strategy, business model, performance
and sustainable development are all inseparable elements of the value-creation process.

**Application**

The Board approves the Group's strategy, which is aligned with the purpose of the Group and aimed at ensuring sustainability and takes into account the top risks facing the Group. The Board oversees and monitors, with the support of its committees, the implementation and execution by management of its policies and priorities and ensures that the Group accounts for its performance by, among others, reporting and disclosure. A strong relationship between the Board and the management team fosters good governance.

The capitals deployed by the Group are aligned with the strategy and objectives of the Group, which, in turn, are supported by policies and operational plans. These, together with the risks facing the Group, are all overseen and monitored by the Board on a continuous basis to drive value creation for all stakeholders. Continued engagement with internal and external stakeholders takes place, and their needs and expectations are considered.

The Company's performance against its strategic objectives is extensively reported on in the Group's **IR** and **ESG** Report

**2024 IR**

- Our value-creation business model **pages 22 to 24**
- Our capitals **pages 44 to 55**
- Our key stakeholders **pages 36 to 43**
- Our Chairperson's Report **pages 26 to 28**
- Our CEO's Report **pages 63 to 67**
- Our CFO's Report **pages 85 to 94**
- Our operational performance **pages 85 to 94**
- Our strategy **pages 80 to 84**
- Our risks and mitigations **pages 56 to 61**

**2024 ESG Report**

# KING IV™ APPLICATION REGISTER CONTINUED

## KING IV™ PRINCIPLES AND APPLICATION CONTINUED

### 05 REPORTING

#### PRINCIPLE 5

The governing body should ensure that reports issued by the Company enable stakeholders to make informed assessments of the Company's performance and its short-, medium- and long-term prospects.

**Application**

The Board, through the Audit and Risk Committee, ensures that the necessary controls are in place to verify and safeguard the integrity of the information in the annual reports and any other disclosures. The Company complies with all required disclosures.

Reporting frameworks and materiality are approved by the Audit and Risk Committee to ensure compliance with legal requirements and relevance to stakeholders.

The Audit and Risk Committee oversees the integrated reporting process and reviews the audited financial statements to ensure that they are compliant with all necessary prescribed standards and that such reports adequately provide information to support decision-making for all stakeholders. Results presentations are held after the interim and year-end financial results are announced, and copies of the results presentation are published on the Group's website and other communication services.

**2024 IR**

**2024 ESG Report**

**2024 AFS**



### 06 GOVERNING STRUCTURE AND DELEGATION

#### PRINCIPLE 6

The governing body should serve as the focal point and custodian of corporate governance in the Company.

**Application**

The Board Charter forms an integral part of the Group's governance framework and outlines the composition, scope of authority, responsibilities, powers, and functions of the Board. The Board Charter is reviewed annually to ensure that it remains relevant, appropriate, and in line with governance best practice. Similarly, Committee Terms of Reference, Delegations of Authority, and Board policies are reviewed annually and the outcome reported to the Board.

The Board Charter provides that the Board, as well as any director or member of a Board committee, may obtain independent, external professional advice at the Group's expense concerning matters within the scope of their duties, and the directors may request documentation from and set up meetings with management as and when required.

As a direct or indirect shareholder, the Company exercises its rights and is involved in the decision-making of its subsidiaries on material matters and ensures that the Group's executives and directors are appropriately represented within its established subsidiary Finance and Risk Committees, and through this representation, it ensures that the Group's governance requirements relevant to material matters are duly performed.

The Company Secretary acts as the primary contact between non-executive directors and the Group. The Audit and Risk Committee chairperson meets regularly with the Head of Internal Audit and is apprised of material issues should these arise.

The Group's **IR** further details the corporate governance protocols established and overseen by the Board.

**2024 IR**

- Our Audit and Risk Committee Report **pages 115 to 119**

Sea Harvest Group Board Charter

**2024 ESG Report**



# KING IV™ APPLICATION REGISTER CONTINUED

## KING IV™ PRINCIPLES AND APPLICATION CONTINUED

07

### COMPOSITION

#### PRINCIPLE 7

The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.

**Application**

The Board recognises and embraces the benefits of having a diverse Board and appreciates that diversity at Board level is essential and that race, age and gender diversity, underpinned by the relevant skills, as well as business, geographic and academic experience and background, enhance the composition of a truly diverse Board.

The skills, experience and qualifications of each director are appropriate to ensure that the Board has the necessary combined skills and experience to discharge the Board's governance role and responsibilities in line with the Board Charter, JSE Listings Requirements and the King IV™ principles.

The Board comprises mostly non-executive directors and two executive directors, being the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO). As the Chairperson of the Group is not considered independent, in accordance with the JSE Listings Requirements, a lead independent non-executive director has been appointed.

The primary responsibilities of the Lead Independent Director centre on strengthening the position of the Board of Directors' Chairperson. These tasks include, among other things, supervising the assessment of the Chairperson, serving as a trusted advisor, facilitating communication between other directors and the Chairperson on relevant matters, and presiding over discussions and decision-making processes in situations where the Chairperson faces a conflict of interest.

A clear separation exists between the responsibilities of the CEO and the Chairperson, and distinct individuals hold each of these positions.

The nomination and election processes fall within the ambit of the responsibility of the Nomination Committee. The experience and knowledge of Board members have been considered by the Nomination Committee to ensure that the Board collectively has the necessary knowledge and experience to lead the Group. Succession plans have been developed for directors and key executives.

When assessing the appointment or re-election of directors, the Board, in collaboration with the Nomination Committee, carefully evaluates the necessary knowledge, skills and resources. Additionally, factors such as the board's size, diversity, and demographics are taken into account to enhance overall effectiveness. These procedures, outlined in the Nomination Committee Charter, are transparent and formalised. The chairperson of the Nomination Committee regularly updates the Board, providing reports and feedback on the ongoing processes.

The **AGM** includes concise resumes for every director seeking election or re-election. Newly appointed directors undergo an induction process, covering Board-related matters and their specific duties and governance responsibilities. This induction is facilitated by the Company Secretary with the support of the Company's sponsor and is tailored to meet each director's individual requirements.

The Company places significant importance on delivering training when necessary, acknowledging its crucial role in empowering management to fulfil their roles and responsibilities in an objective and effective manner, thereby enhancing sound governance within the organisation.

Declarations of interests and conflicts are sought at the commencement of each Board and subcommittee meeting. Management keeps a record of the directorships and interests of the Board of Directors, which is updated as and when changes occur but at least annually.

Sea Harvest Group Board Charter

**2024 ESG Report**



# KING IV™ APPLICATION REGISTER CONTINUED

## KING IV™ PRINCIPLES AND APPLICATION CONTINUED

### 08 COMMITTEES

#### PRINCIPLE 8

The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.

**Application**

The Board delegates certain responsibilities to well-structured Board committees without abdicating accountability. The composition and mandate of the various Board committees contribute to the effective discharge of the Board's duties and responsibilities to grow and protect value for the Group's stakeholders.

The established committees of the Board comprise the Audit and Risk Committee; Nomination Committee; Remuneration Committee; Social, Ethics and Sustainability Committee; and Investment and Hedging Committee. The Board receives reports and minutes of each committee meeting. External advisors, executive directors, and members of senior management attend committee meetings by invitation.

The Nomination Committee annually reviews the composition of the Board committees and makes recommendations to the Board as to their composition, including appointment of the chairperson of each committee, taking into account factors such as diversity and skills and the need to create an even spread of power and authority.

Terms of reference are formulated and approved for each committee, undergoing an annual review to guarantee their ongoing relevance and effectiveness.

The Board applies its collective mind to the information, opinions, recommendations, reports and statements presented by the chairperson of a committee at each Board meeting.

**2024 IR**

- Our Audit and Risk Committee Report **pages 115 to 119**
- Our Nomination and Remuneration Committees Report **pages 127 to 144**

**2024 ESG Report**

### 09 EVALUATION OF PERFORMANCE

#### PRINCIPLE 9

The governing body should ensure that the evaluation of its own performance and that of its committees, its chair, and its individual members support continued improvement in its performance and effectiveness.

**Application**

The Board and all subcommittees perform anonymous self-assessments of their effectiveness on an annual basis. The outcomes of such assessments are evaluated by the Chairperson and the results are presented to the Board and subcommittees. Appropriate interventions are implemented to address any areas of improvement identified in the annual assessment process.

The Nomination Committee evaluates the effectiveness and performance of the Board, its committees, and the individual directors.

The Board and its subcommittees, as well as any director, are entitled to seek independent professional advice concerning the Company's affairs and to gain access to any information they may require in discharging their duties.

**2024 ESG Report**






# KING IV™ APPLICATION REGISTER CONTINUED

## KING IV™ PRINCIPLES AND APPLICATION CONTINUED

### 10 APPOINTMENT AND DELEGATION TO MANAGEMENT

**PRINCIPLE 10**

The governing body should ensure that the appointment of and delegation to management contribute to role clarity and the effective exercise of authority and responsibilities.

**Application**

The role and functions of the CEO are specified in the Board Charter and the performance of the CEO is evaluated by the Board.

The Nomination Committee is responsible for ensuring that succession plans are in place for the position of CEO and other members of the Group Executive Committee. The Board reviews and approves the Group Delegations of Authority in terms of which matters are delegated to the various levels within the organisation.

The CEO is the highest executive decision-making authority of the Group and is delegated with authority from, and is accountable to, the Board for the successful implementation of the Group strategy and the overall management and performance of the Group. The CEO may sub-delegate all matters not specifically reserved for decision-making by the Board or shareholders.

Ms SS Gounden is the Group Company Secretary, duly appointed by the Board in accordance with the Companies Act. Ms Gounden is not a director of the Company. The Board has considered Ms Gounden's competence, qualifications and experience and is satisfied that she is competent and has the appropriate qualifications and experience to serve as the Company Secretary. The Company Secretary has a direct channel of communication to the Chairperson, while maintaining an arm's-length relationship with the Board and the directors as far as reasonably possible. The role and responsibilities of the Company Secretary are set out in the Board Charter.

**2024 IR**

- Our Nomination and Remuneration Committees Report **pages 127 to 144**

Sea Harvest Group Board Charter

**2024 ESG Report**

### 11 RISK GOVERNANCE

**PRINCIPLE 11**

The governing body should govern risk in a way that supports the Company in setting and achieving its strategic objectives.

**Application**

The Board retains overall responsibility for the governance of risk, with delegated responsibility to management to implement and execute effective risk management, and approves the Group's Risk Policy that sets the direction for how risk management should be approached and addressed in the Group. The Audit and Risk Committee assists the Board with the governance of risk as specified in the Charter of the Audit and Risk Committee.

Mechanisms to mitigate risks are in place and presented to the Audit and Risk Committee, which reports on the effectiveness of these mechanisms at Board meetings. Risk management practices are set out in the Audit and Risk Committee Report, which is included in the AFS and the IR.

**2024 IR**

- Our Audit and Risk Committee Report **pages 115 to 119**
- Our risks and mitigations **pages 56 to 61**

**2024 ESG Report**





# KING IV™ APPLICATION REGISTER CONTINUED

## KING IV™ PRINCIPLES AND APPLICATION CONTINUED

### 12 TECHNOLOGY AND INFORMATION GOVERNANCE

#### PRINCIPLE 12

The governing body should govern technology and information in a way that supports the Company in setting and achieving its strategic objectives.

**Application**

The Board is ultimately accountable for the governance of information and technology management, and the Audit and Risk Committee supports the Board in this regard.

All technology solutions that impact financial reporting are part of the internal and external auditing scope. Measures to ensure compliance to all relevant laws, information security, and the protection of personal information are in place. The Information Technology Steering Committee guides management on the acceptable use of technology and information services as well as cyber security. Internal review of existing technology and information governance controls indicates adequacy of design and operating effectiveness.

**2024 IR**

- Our Audit and Risk Committee Report pages 115 to 119

**2024 ESG Report**



### 13 COMPLIANCE GOVERNANCE

#### PRINCIPLE 13

The governing body should govern compliance with applicable laws and adopted non-binding rules, codes and standards in a way that supports the Company being ethical and a good corporate citizen.

**Application**

The terms of reference of the Social, Ethics and Sustainability Committee and the Audit and Risk Committee reference the oversight responsibilities regarding the Group's compliance with laws and regulations.

The Group Legal and Compliance Function ensures that processes are in place and are continuously improved to mitigate the risk of non-compliance with legislation and to ensure appropriate responses to changes and developments in the regulatory environment.

The Group has adopted a combined assurance model based on three lines of defence, whereby reliance is placed on various internal and external assurance providers to ensure the Group's compliance with applicable laws, regulations, codes and standards, thereby avoiding the duplication of effort. The Audit and Risk Committee oversees the application of the combined assurance model on an ongoing basis, where the Group's risk assessment is recorded in the risk report that is produced by management and presented to the Audit and Risk Committee at each of its meetings.

During the 2024 financial year, there were no material penalties, sanctions or fines for contraventions of, or non-compliance with, regulatory or statutory obligations.

The Audit and Risk Committee receives regular reports on compliance matters and reports on those legal and regulatory matters that have an impact on the financial statements are presented to the committee.

**2024 IR**

- Our Audit and Risk Committee Report pages 115 to 119

**2024 ESG Report**



# KING IV™ APPLICATION REGISTER CONTINUED

## KING IV™ PRINCIPLES AND APPLICATION CONTINUED

### 14 REMUNERATION GOVERNANCE

#### PRINCIPLE 14

The governing body should ensure that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.

**Application**

The Remuneration Committee is tasked by the Board to independently approve and oversee the implementation of the Remuneration Policy. The Group has approved a Remuneration Policy that allows for short-term, long-term and share-based remuneration and reward structures with an appropriate mix of guaranteed and non-guaranteed elements, which ensures the alignment of management and staff with the short-, medium- and long-term objectives of the Group. The policy is designed to attract, motivate, reward and retain human capital and to promote the achievement of strategic objectives in a manner that aligns with the Group's approach to risk management.

The Remuneration Policy will be presented at the AGM scheduled for 30 May 2025.

**2024 IR**

- Our Nomination and Remuneration Committees Report **pages 127 to 144**



### 15 ASSURANCE

#### PRINCIPLE 15

The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and external reporting purposes.

**Application**

The Board, with the support of the Audit and Risk Committee, satisfies itself that the combined assurance model is effective and that it incorporates and optimises the various assurance services and functions so that, taken as a whole, these support the objectives for assurance.

The Group maintains a system of internal financial control that is designed to provide assurances on the maintenance of proper accounting records and the reliability of financial information used within the business and for publication.

A combined assurance approach has been implemented that assists in optimising the coverage obtained from the various levels of assurance to provide the Board and the Board subcommittees with relevant and effective assurance indicating whether the Company's significant risks are adequately mitigated to acceptable levels. The Group has adopted a fit-for-purpose combined assurance model that aims to ensure that significant risk and material matters are appropriately addressed throughout the Group through the three-lines-of-defence approach.

An Internal Audit Charter is in place and outlines the responsibilities of the Internal Audit Function. The Audit and Risk Committee has been delegated the responsibility for overseeing that assurance services are executed in line with the charter. The annual audit plan, approved by the Audit and Risk Committee and updated as appropriate to ensure it is responsive to change, is based on an assessment of risk areas identified by internal audit and management as well as focus areas highlighted by the Audit and Risk Committee and management. It includes activities that support the achievement of an effective internal control environment, which supports the integrity of information.

**2024 IR**

- Our Audit and Risk Committee Report **pages 115 to 119**
- Our risks and mitigations **pages 56 to 61**



# KING IV™ APPLICATION REGISTER CONTINUED

## KING IV™ PRINCIPLES AND APPLICATION CONTINUED




16

### STAKEHOLDERS

#### PRINCIPLE 16

In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the Company over time.

**Application**

The Group strives to ensure a systematic and integrated approach to stakeholder engagement across the Group to enable increased assurance to the Board that stakeholder issues have been identified, prioritised and appropriately addressed.

The Board, through the Social, Ethics and Sustainability Committee, as part of its social and ethics mandate under the Companies Act, considers issues around stakeholder perceptions. The committee has oversight of stakeholder engagement and management. Through regular reporting to the Social, Ethics and Sustainability Committee, the Board is equipped with the necessary information to enable it to take the legitimate interests and expectations of stakeholders into account in its decision-making.

The Strategic Services Function is the custodian of the stakeholder engagement approach, associated processes and standards and ensures a co-ordinated and consistent approach across the Group. The function acts as an enabler to the organisation, with the goal to systematically embed and continuously improve how stakeholders are managed.

The CEO and CFO conduct regular roadshows on the Group's performance and strategy to analysts, institutional investors and the media in South Africa. The Board ensures proactive engagement with shareholders by the Company, including engagement at the Company's AGMs. Directors are available at the AGM to respond to stakeholder queries on how the Board executed its duties.

**2024 IR**

- Our key stakeholders **pages 36 to 43**
- Our Audit and Risk Committee Report **pages 115 to 119**

**2024 ESG Report**






2024

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2024

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