KING IV™ APPLICATION REGISTER FOR THE SEA HARVEST GROUP

2021

SETTING THE COURSE FOR A NEW REALITY



Sea Harvest

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FOR THE SEA HARVEST GROUP 2021 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 Listings Requirements stipulates that issuers must comply with certain requirements concerning corporate governance. The Group complies with all the requirements of paragraph 3.84. For the period ended 31 December 2021, the Group applied the principles of King IV™ as disclosed in the table below.

KING IV™ PRINCIPLES	APPLICATION	REFERENCE
PRINCIPLE 1 The governing body should lead ethically and effectively	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. 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 71 of 2008 (Companies Act). 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 a Share Dealing Policy. Directors adhere to the Companies Act's 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 performance of the Board is assessed through the annual Board evaluation process. This includes an assessment of the achievement of Board objectives.	**2021 Integrated Report:** ➢ Our governance and leadership **page 15** ➢ Our Governance Report **page 95** Sea Harvest Group Board Charter Sea Harvest Group Code of Conduct Sea Harvest Group Share Dealing Policy
PRINCIPLE 2 The governing body should govern the ethics of the Company in a way that supports the establishment of an ethical culture	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. Business codes of conduct are well-developed and embedded within the business. Management has been delegated the responsibility for the implementation and execution of the business codes of conduct. The Board, with the assistance of the Audit and Risk Committee and the Social, Ethics and Transformation 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 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, including fraud. In 2021, the Group finalised the implementation of an online disclosure system (MyDisclosures) and commenced with its roll-out. The Group's Code of Conduct is published on the Group's website and is made available to all employees.	**2021 Integrated Report:** ➢ Our governance and leadership **page 15** ➢ Our Governance Report **page 95** ➢ Our Social, Ethics and Sustainability Committee Report **page 109** ➢ Our Audit and Risk Committee Report **page 103** Sea Harvest Group Code Of Conduct

KING IV™ PRINCIPLES	APPLICATION	REFERENCE
PRINCIPLE 3 The governing body should ensure that the Company is and is seen to be a responsible corporate citizen	In overseeing the Group's conduct as a good corporate citizen, the Board approves the strategy of the business, more specifically, 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 to sustainability challenges. The Group invests in its Social Capital by way of social transformation and empowerment initiatives, and community development through the work done by the Sea Harvest Foundation and the Fisheries Fund. In conducting its activities, processes comply with international and local legislative requirements. The Board, with the support of the Social, Ethics and Transformation 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 the Group's progress against its priorities.	**2021 Integrated Report:** ➢ Our value creation business model **page 19** ➢ Our capitals **page 41 to 52** ➢ Our key stakeholders **page 31** ➢ Our Chairperson's Report **page 23** ➢ Our CEO's Report **page 63** ➢ Our Social, Ethics and Sustainability Committee Report **page 109**
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	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 to determine the priorities and material matters requiring attention. 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, amongst others, reporting and disclosure. 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 Integrated Report.	**2021 Integrated Report:** ➢ Our value creation business model **page 19** ➢ Our capitals **page 41 to 52** ➢ Our key stakeholders **page 31** ➢ Our Chairperson's Report **page 23** ➢ Our CEO's Report **page 63** ➢ Our Social, Ethics and Sustainability Committee Report **page 109** ➢ Our strategy **page 75** ➢ Our risks and mitigations **page 54**
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	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. Where appropriate, communication is made available on the Group's website and other communication services.	**2021 Integrated Report** **2021 Environmental, Social and Governance Report** **2021 Annual Financial Statements**

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FOR THE SEA HARVEST GROUP 2021 INTEGRATED REPORT (CONTINUED)

KING IV™ PRINCIPLES	APPLICATION	REFERENCE
PRINCIPLE 6 The governing body should serve as the focal point and custodian of corporate governance in the Company	The Board has an approved charter, which it reviews annually. The charter sets out its governance responsibilities, including the role, responsibilities, membership requirements and procedural conduct of the Board and Board members. The Board's 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 a documentation form 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 Integrated Report further details the corporate governance protocols established and overseen by the Board.	**2021 Integrated Report:** ➢ Our governance and leadership **page 15** ➢ Our Governance Report **page 95** ➢ Our Audit and Risk Committee Report **page 103**
PRINCIPLE 7 The governing Board should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively	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 qualification 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, the majority of whom are independent, and 2 (two) executive directors, being the CEO and the CFO. As the Chairperson of the Group is not considered independent, in accordance with JSE Listings Requirements, a lead independent non-executive director has been appointed. 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. Declaration of interests and conflicts are sought at the commencement of each Board and subcommittee meeting.	**2021 Integrated Report:** ➢ Our governance and leadership **page 15** ➢ Our Governance Report **page 95**

KING IV™ PRINCIPLES	APPLICATION	REFERENCE
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	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 chairpersons of each committee, taking into account factors such as diversity and skills, and the need to create an even spread of power and authority. 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.	**2021 Integrated Report:** ➢ Our governance and leadership **page 15** ➢ Our Governance Report **page 95** ➢ Our Audit and Risk Committee Report **page 103** ➢ Our Social, Ethics and Sustainability Committee Report **page 109** ➢ Our Nomination and Remuneration Committees Report **page 113**
PRINCIPLE 9 The governing body should ensure that the evaluation of its own performance and that of its committees, its chairperson and its individual members, support continued improvement in its performance and effectiveness	The Board and all subcommittees perform self-assessments of their effectiveness on an annual basis. The outcomes of such assessments are evaluated by the Chairperson with the assistance of the Company Secretary and the results are presented to the Board and subcommittees. Appropriate interventions are implemented to address any areas of improvement identified by 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.	**2021 Integrated Report:** ➢ Our governance and leadership **page 15** ➢ Our Governance Report **page 95**
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	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 Board appoints members of the Group Executive Committee (Group Exco) upon recommendation of the CEO and the Board's Nomination Committee and, with the assistance of the Nomination Committee, is responsible for ensuring that succession plans are in place for the position of CEO and other members of the Group Exco. 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 N Seshoka is the Group Company Secretary, duly appointed by the Board in accordance with the Companies Act. Ms Seshoka is not a director of the Company. The Board has considered Ms Seshoka'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 Chairman, 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.	**2021 Integrated Report:** ➢ Our governance and leadership **page 15** ➢ Our Governance Report **page 95** ➢ Our Nomination and Remuneration Committees Report **page 113**

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KING IV™ PRINCIPLES	APPLICATION	REFERENCE
PRINCIPLE 11 The governing body should govern risk in a way that supports the Company in setting and achieving its strategic objectives	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, who report 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 Annual Financial Statements and the Integrated Report.	**2021 Integrated Report:** ➢ Our governance and leadership **page 15** ➢ Our Governance Report **page 95** ➢ Our Audit and Risk Committee Report **page 103** ➢ Our risks and mitigations **page 54**
PRINCIPLE 12 The governing body should govern technology and information in a way that supports the Company in setting and achieving its strategic objectives	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 impacting on 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. Internal review of existing technology and information governance controls indicate adequacy of design and operating effectiveness.	**2021 Integrated Report:** ➢ Our governance and leadership **page 15** ➢ Our Governance Report **page 95** ➢ Our Audit and Risk Committee Report **page 103**
PRINCIPLE 13 The governing body should govern compliance with applicable laws and adopted, nonbinding rules, codes and standards in a way that supports the Company being ethical and a good corporate citizen	The terms of reference of the Social, Ethics and Sustainability Committee and the Audit and Risk Committee references the oversight responsibilities in relation to 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 the laws 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, and a combined assurance report is produced by management and presented to the Audit and Risk Committee at each of its meetings. During the 2021 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.	**2021 Integrated Report:** ➢ Our governance and leadership **page 15** ➢ Our Governance Report **page 95** ➢ Our Audit and Risk Committee Report **page 103** ➢ Our Social, Ethics and Sustainability Committee Report **page 109**
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	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 for non-binding advisory votes at the Annual General Meeting (AGM) scheduled for 18 May 2022.	**2021 Integrated Report:** ➢ Our Nomination and Remuneration Committees Report **page 113**

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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	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.	**2021 Integrated Report:** ➢ Our Audit and Risk Committee Report **page 103** ➢ Our risks and mitigations **page 54**
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 with the best interests of the Company over time	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 Transformation 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 coordinated 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.	**2021 Integrated Report:** ➢ Our key stakeholders **page 31** ➢ Our Audit and Risk Committee Report **page 103** ➢ Our Social, Ethics and Sustainability Committee Report **page 109**


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