

WOOLWORTHS HOLDINGS LIMITED

KING IV™ APPLICATION REPORT

2025

START

INTRODUCTION

The Board believes that good corporate governance is fundamental to long-term value creation. It endorses an integrated approach to governance and the purposeful application of the King IV™ principles, which are embedded in the Group’s governance framework, policies, and practices.

The Board’s primary objective in applying the King IV™ principles is to ensure that the governance outcomes, being *an ethical culture, effective control, good performance, and legitimacy* are firmly entrenched across the organisation.

This report outlines how the King IV™ principles are applied. It is supplemented by the Integrated Annual Report, Annual Financial Statements, and the Good Business Journey Report. Together, these documents form our annual financial year-end reporting suite and can be accessed on our website detailed below.

Cross references are provided throughout this report to guide stakeholders to additional information within the reporting suite and on our website. Where the Board is supported by a committee in the application of a principle, the relevant committee is indicated. We encourage stakeholders to explore the reporting suite to gain deeper insight into how these principles are integrated into our daily operations and decision-making processes.

The Group’s governance framework provides clarity on roles and areas of accountability, and recognises the independent duties required to govern the Group effectively. The Board believes that effective governance is achieved through collaborative leadership. Together with its committees, the Board has established a working framework that complements and supports the efforts of the executive team.

The governance framework is supported by the Board Charter, Committee Terms of Reference, Delegations of Authority, and related policies.

With these principles in mind, our governance structure continues to evolve to enhance efficiencies in line with best practice. It enables management to execute strategic initiatives with agility, while ensuring that the Board retains full oversight of all material matters.

The Board is satisfied that the Group complies with the governance principles set out in the King IV Code.

The following annual reports and governance resources referenced in this Report are available on our website at:
www.woolworthsholdings.co.za

- 2025 Integrated Annual Report
- 2025 Annual Financial Statements
- 2025 Good Business Journey (GBJ) Report
- Board Charter
- Committee Terms of Reference
- Policies



LEADERSHIP, ETHICS, AND CORPORATE CITIZENSHIP

PRINCIPLE 1

The governing body should lead ethically and fairly.

APPLICATION

As the custodian of ethical governance, the Board holds collective responsibility for setting the ethical tone at the top. Throughout the year, it has continued to lead the Group with integrity and effectiveness, guiding strategic direction and evolving governance practices to ensure that high ethical standards are consistently applied across all levels of the organisation.

The Group’s governance framework, supported by the Board Charter, Delegations of Authority, Committee Terms of Reference, and Board policies, is a tangible indicator of the Board’s commitment to ethical and effective leadership. The consistent application of these governance tools underscores the Board’s dedication to “doing the right thing.”

Examples of how our structures and practices combine to support, and hold directors accountable for ethical leadership include:

- policies on conflicts of interest, insider trading, and the prohibition of using price-sensitive information are actively applied. Disclosures regarding directors share dealings and their holdings in WHL shares are, for example, made via the Johannesburg Stock Exchange News Service (SENS) and included in the Annual Financial Statements. Directors declare their interests quarterly, and any actual conflicts are transparently published in the directors’ interests register on our website
- although the current Chairman is an independent non-executive director, the Board retains the role of Lead Independent Director at this time

- the Board places strong emphasis on maintaining high levels of independent thought and objective judgment. This culture of constructive challenge helps avoid groupthink and is supported by the annual assessment of each non-executive director’s independence. In doing so, the Nominations Committee applies not only the independence criteria recommended by King IV™ but also considers non-executive directors demonstrated independence of mind and objective judgment in relation to matters affecting the Group
- the Board regularly reviews its composition to ensure diversity across gender, race, skills, experience, and tenure. This enriches deliberations and helps guard against bias in decision-making. The periodic refresh of non-executive directors further contributes to Board effectiveness by introducing new perspectives and insights into the Boardroom
- annual evaluations of Board performance help to identify areas for continuous improvement. Additionally, Board reflections post each quarterly Board meeting consider the quality of deliberations and the Board’s performance during the week
- the Board considers stakeholder interests in its decision-making, ensuring fair and inclusive leadership. This approach reinforces trust and legitimacy across the Group’s operations

OVERSIGHT:

- Board
- Nominations Committee

PRINCIPLE 2

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

APPLICATION

The Board is responsible for setting the ethical tone of the Group and embedding values that reflect principled business conduct. With support from the Social and Ethics Committee, the Board ensures that ethics are governed in a way that promotes a deeply rooted ethical culture across the organisation.

Our business model is underpinned by strong governance and a commitment to the highest standards of ethics and integrity. The Board has adopted a suite of ethics-related policies that articulate these standards and guide behaviour throughout the Group. These policies are informed by the Companies Act 71 of 2008 (as amended), King IV™, the UN Global Compact, and OECD principles.

Authority for monitoring adherence to these policies is delegated to relevant Board committees, with implementation carried out at executive level through management.

The Group’s ethics governance framework includes policies on anti-bribery and corruption, whistleblowing, codes of business principles, conflicts of interest, insider trading, price-sensitive information, anti-competitive behaviour, consumer protection, data protection, the ethical usage of generative AI and compliance. These are communicated across the Group through induction programmes, regular awareness and technical training, internal communications, and panel discussions during our governance conversations.

Governance conversations are produced by the Governance Academy and are hosted on our various online channels in South Africa, the African countries in which the Group operates, Australia and New Zealand.. The panel discussions provide employees with real time access to the views of thought leaders and subject matter experts and the opportunity to engage with them. Content is also provided on our digital channels in the form of short videos, podcasts, and visual guides that cover a range of governance topics.

Our Supplier Code of Business Principles draws on recognised international standards, including the Universal Declaration of Human Rights; UN Global Compact Ten Principles and Guiding Principles on Business and Human Rights; International Labour Organisation’s (ILO) Declaration on Fundamental Principles and Rights at Work; and Ethical Trade Initiative (ETI) Base Code. According to our Code of Business Principles, suppliers are required to uphold the same ethical standards that we do, including fair labour practices, safety, environmental stewardship, animal welfare, and zero tolerance for bribery and corruption. We ensure with our Code by means of regular site visits, and independent audits.

Through the Social and Ethics and Sustainability Committees, the Board ensures that fair labour practices are applied across our Group and our supply chain; that appropriate strategies are in place to contribute to social and economic development; and that we not only utilise our natural resources responsibly but also work towards minimising our impact on the environment in the long term.

The whistleblower policy is designed to cultivate a safe and confidential environment for raising concerns. Our reporting lines are independently managed via Deloitte’s Tip-offs Anonymous hotline, which is available to employees, suppliers and their employees, and other stakeholders. All reports are treated with the strictest confidence. The Group follows a zero-tolerance approach to any form of retaliation against whistleblowers..

OVERSIGHT

- Board
- Nominations Committee
- Social And Ethics Committee
- Sustainability Committee
- Executive Management

LEADERSHIP, ETHICS, AND CORPORATE CITIZENSHIP

PRINCIPLE 3

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

APPLICATION

The Board has ultimate responsibility for ensuring that the Group operates, and is seen to operate, as a responsible corporate citizen. The Board is supported in this, by the Social and Ethics and the Sustainability Committees, each mandated to oversee the delivery of the Group’s social responsibility and sustainability strategies, respectively, as articulated in our Vision 2025+ strategy.

The Committees monitor performance against Vision 2025+ focus areas using management scorecards that incorporate key performance indicators (KPIs) and targets. These are cascaded into individual and team scorecards through our integrated performance management system. High-level performance trends are reported to the Social and Ethics and the Sustainability Committees. For a detailed overview of our progress, please refer to the Good Business Journey Report available on our website.

As a Group, we take our role as a responsible corporate citizen seriously. We aim to contribute meaningfully to economic and societal needs in every country where we operate. This includes navigating evolving legislative landscapes and engaging a broadening stakeholder base, including government, civil society and communities across the regions where we operate.

Our Inclusive Justice Initiative is embedding practices across the Group to promote dignity, fairness, and equality for our people, customers, and the communities we serve. This initiative goes beyond fostering diverse and inclusive environments and aims to advance a deep-seated culture of respect and belonging throughout the business.

Our approach to diversity and inclusion is closely aligned with our commitment to human rights. As a signatory to the UN Global Compact, we actively advocate for these principles and expect our business partners to uphold the same standards. Through various pledges, we remain determined to play our part in eradicating any form of disregard for human rights within our sphere of influence.

We continue to advocate for women’s empowerment and gender equality. In 2025, we reached our milestone of “Achiever” status in the UN Women Empowerment Principles Gender Gap Analysis and are well positioned in our trajectory toward “Leader” status. This achievement reflects our sustained commitment to creating equitable opportunities and advancing gender representation across the Group.

In South Africa, social development activities were, until recently, overseen by the Woolworths Trust, with regular reporting to the Social and Ethics Committee. The Trust has been replaced, and its activities have been transferred to the Community Inclusive Justice Institute (CIJI) NPC. The CIJI was established in 2024 and similarly reports to the Social and Ethics Committee. In Australia, our initiatives are shaped by local context and delivered through strategic partnerships and campaigns focused on community resilience, physical and mental wellness.

We engage stakeholders inclusively to better understand their needs and concerns. This ongoing dialogue strengthens our ability to respond meaningfully and responsibly. Details on how we engage with our stakeholders is set out in the Integrated Annual Report available on our website.

STRATEGY

PRINCIPLE 4

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

APPLICATION

The Board recognises that the organisation’s core purpose, strategy, business model, performance, risks and opportunities, and sustainable development are inseparable elements of the value creation process. These components are integrated into the Group’s governance framework and receive focused attention in strategic planning and oversight.

This integrated approach is reflected in our value creation model and strategic framework, detailed on pages 30 and 57, respectively, of the Integrated Annual Report on our website. Material risks and opportunities, which are identified through our operating context and stakeholder engagement, are regularly reviewed, with mitigation measures considered to support long-term resilience. The Group’s material risks, and material matters are detailed on pages 43 and 50, respectively, of the Integrated Annual Report on our website.

The Board sets key performance measures and targets to monitor progress against strategic objectives across the short-, medium-, and long-term. These are captured in a Group-wide scorecard which include relevant Vision 2025+ sustainability-linked KPIs, business commitments, and performance targets, which are cascaded to business units and rolled up for Group-level assessment.

Management is responsible for executing approved strategies and business plans, and for continuously evaluating the impact of the Group’s activities and outputs across all areas of operation.

During the year, the Board held its annual risk and two strategy workshops to debate, refine, and approve strategic objectives, risks, and opportunities. The Group Chief Executive Officer provides quarterly performance updates, including analysis against strategic targets.

The Board convened quarterly to critically evaluate key initiatives and review progress against the Group's scorecard. It also considered a range of external and operational factors impacting performance. These included the ongoing effects of geo-political instability, macro-economic challenges, extreme weather events and the effects on product availability, and the changing consumer landscape, spending, and behaviour.

OVERSIGHT

- Board
- Social And Ethics Committee
- Sustainability Committee

OVERSIGHT

- Board
- All Board Committees
- Executive Management

STRATEGY

PRINCIPLE 5

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

APPLICATION

The Board ensures that the Group’s reporting enables stakeholders to make informed assessments of its performance and its short-, medium-, and long-term prospects. This is achieved through a comprehensive suite of reports, including the Annual Financial Statements, the Good Business Journey Report, and the Integrated Annual Report, each prepared in accordance with applicable reporting frameworks and standards.

These reports align with global best practice, including the International Sustainability Standards Board’s Integrated Reporting Framework, the Global Reporting Initiative (GRI) Standards, the Task Force on Climate-related Financial Disclosures (TCFD), and the JSE Sustainability and Climate Disclosure Guidance. The objective is to provide meaningful, transparent, and relevant disclosures that enhance stakeholder understanding of the Group’s operations and strategic direction.

The Audit Committee supports the Board in verifying the integrity of the Integrated Annual Report and related disclosures. Assurance on the Annual Financial Statements is provided by both internal and external auditors, under the oversight of the Audit Committee. Selected GRI disclosures in the Good Business Journey Report are independently assured, with oversight from the Sustainability Committee.

The Group’s Remuneration Report, published as part of the Integrated Annual Report, comprises a Chairman’s introduction, the Remuneration Policy, and the Implementation Report. The Implementation Report details all remuneration awarded to executive management and non-executive directors during the reporting period. The Remuneration Report is designed to provide shareholders with clear and transparent insight into the Board’s approach to remuneration across leadership and employee levels.

Results presentations are held following the release of interim and year-end financial results, with presentation materials published on our website. In addition, regular trading updates are released via the Johannesburg Stock Exchange News Service (SENS), providing timely insights into the Group’s performance.

GOVERNING STRUCTURES AND DELEGATION

PRINCIPLE 6

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

APPLICATION

The Board serves as the focal point and custodian of corporate governance within the Group. It guides and directs roles, responsibilities and conduct by means of the governance framework, which includes the Board Charter, Committee Terms of Reference, Delegations of Authority, and supporting policies. These are reviewed annually to ensure alignment with best practice and evolving regulatory requirements.

To enhance effectiveness, the Board delegates specific responsibilities to its committees and to management through formal mandates. Committee activities are reported at each Board meeting, and minutes are available to all directors. The Group CEO and subsidiary boards are empowered to execute strategy within clearly defined authority levels, while the Board retains oversight of all material matters.

The Board’s governance role is supported by the Group Company Secretary, who ensures adherence to governance standards and provides guidance to the Board and its committees. Directors have unrestricted access to independent professional advice when required to fulfil their duties.

The Board promotes a culture of ethical leadership and continuous learning. Through the Governance Academy, employees engage in ongoing training on topics such as ethics, anti-bribery, whistleblowing, cybersecurity, and responsible AI usage. These sessions are supported by practical tools including videos, podcasts, and policy summaries that are permanently available on our digital channels.

Board effectiveness is regularly assessed through a combination of alternating internal and independent evaluations. In 2025, an independent external review confirmed that the Board and its committees are highly effective, well-structured, and aligned with the Group’s strategic objectives. Recommendations from the evaluation are being implemented to further optimise Board effectiveness.

Board composition is intentionally structured to reflect a balance of skills, experience, and diversity. Succession planning is a standing item on the Nominations Committee’s agenda, with recent appointments adding to the Board’s capacity to navigate a dynamic operating environment. The Board’s rotation and tenure policies ensure a cohesive balance between maintaining continuity and introducing fresh perspectives.

Through its governance practices, the Board ensures that the Group remains resilient, responsive, and accountable to its stakeholders.

OVERSIGHT

- Board
- Audit Committee
- Remuneration And Talent Management Committee
- Sustainability Committee
- Social And Ethics Committee
- Executive Management

OVERSIGHT

- Board
- Group Company Secretary

GOVERNING STRUCTURES AND DELEGATION (CONTINUED)

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 Group has a unitary Board comprising a majority of independent non-executive directors. Its composition aligns with the principles of King IV™ and reflects a deliberate balance of skills, experience, and diversity, including geographical background, age, gender, race, interests, and tenure. This diversity enriches deliberations, supports independent decision-making, and strengthens the Group’s governance culture.

With support from the Nominations Committee, the Board remains committed to maintaining a high-performing, resilient, and diverse composition. New directors are selected for their ability to contribute fresh perspectives, act with independence of mind, and add strategic value through their varied experiences. In addition, when the Board considers new appointments or evaluates directors retiring by rotation, it applies its policies on gender and race diversity, individual performance, rotation and tenure limits, and external professional commitments, as applicable.

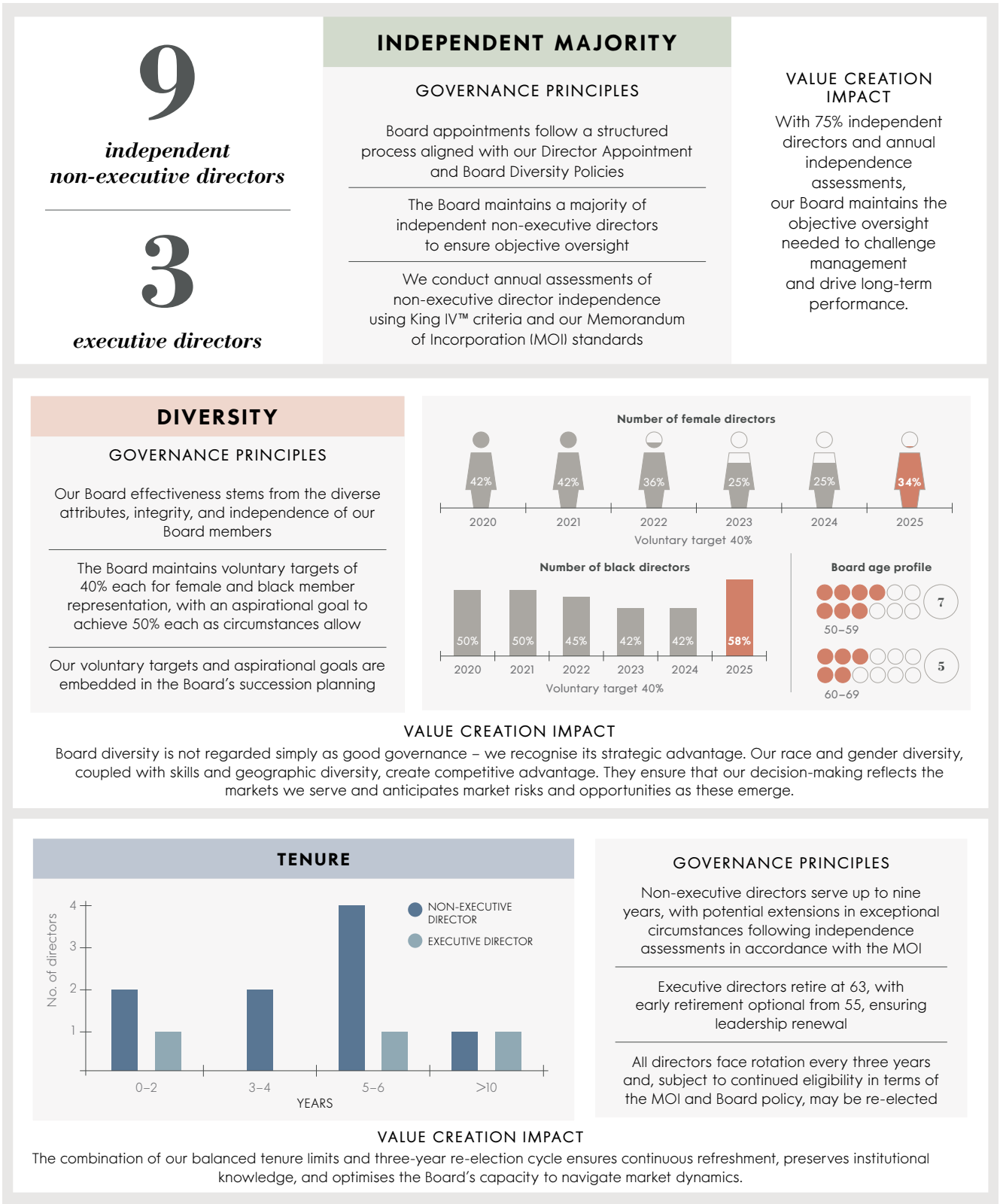
Appointments are governed by the Board’s approved Appointment of Directors Policy, which ensures a structured and transparent process. Non-executive directors are expected to demonstrate independent thinking and objective judgment, with annual independence assessments conducted by the Nominations Committee.

Independence assessments are guided by King IV™ criteria and consider whether a director has consistently demonstrated independent thought and objective judgment in matters affecting the Group. The assessment also evaluates whether any interests, positions, associations, or relationships could, from the perspective of a reasonably informed third party, unduly influence the director’s decision-making.

Non-executive directors are subject to a nine-year term limit (three three-year terms), with extensions permitted in exceptional circumstances and in accordance with the Company’s Memorandum of Incorporation. Both non-executive and executive directors are subject to staggered rotation every three years and, subject to continued eligibility, may offer themselves for re-election at the Annual General Meeting.

OVERSIGHT

- Board
- Nominations Committee



GOVERNING STRUCTURES AND DELEGATION (CONTINUED)

PRINCIPLE 8

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

APPLICATION

The Board ensures that its delegation arrangements promote independent judgment, maintain a balanced distribution of power, and support the effective discharge of its duties. The Group’s governance framework includes the Board, seven Board committees, subsidiary management boards, Board Charters, Committee Terms of Reference, and Delegations and Limits of Authority. These components are reviewed annually to ensure continued relevance and effectiveness.

Board committees are structured to prevent undue reliance on any individual member and to avoid dominance in decision-making. Their composition is reviewed annually by the Nominations Committee, which considers succession planning, director performance, and independence, informed by annual independence assessments.

Each committee is responsible for reviewing its Terms of Reference annually, ensuring alignment with the Delegations of Authority and reporting outcomes to the Board. This enables the Board to assess the effectiveness of its delegation arrangements and ensure alignment with legislative and governance requirements.

The Board retains ultimate accountability for all matters that are delegated, as well as all matters that are reserved for its decision-making. It ensures that delegated responsibilities are executed effectively and in accordance with the Group’s governance standards.

Cross-membership between committees and coordinated meeting schedules promote collaboration and prevent duplication. Where matters fall within the jurisdiction of multiple committees, roles are clearly defined to ensure focused oversight. All directors may attend any committee meeting as observers, however, are not entitled to vote or receive remuneration for their attendance.

OVERSIGHT

- Board
- All Board Committees

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 supports continuous improvement in its performance and effectiveness.

APPLICATION

The Board maintains a structured approach to performance evaluations, with formal assessments conducted annually. These alternate between internally facilitated evaluations and independent externally led evaluations, in line with best governance practices.

In 2025, an independent external effectiveness evaluation was undertaken for the Board and its committees. The outcome confirmed that the Board was highly professional and well-functioning. The Board committees, without exception, were described as best-in-class, highly effective, and well-structured with engaged members. The actions that have been identified by the Board to further optimise its performance, are detailed on page 19 of the Integrated Annual Report on our website.

Executive performance is assessed by the Remuneration and Talent Management Committee through a formally approved process. The Nominations Committee conducts the evaluation of the Group Chief Executive Officer.

The Nominations Committee evaluates directors due for retirement at the Annual General Meeting, in accordance with the Memorandum of Incorporation. Nominations for election or re-election are based on criteria including individual performance and the Board’s policies on independence, diversity, and tenure limits.

Additionally, the Nominations Committee reviews the performance of each Audit and Social and Ethics Committee member prior to recommending their election or re-election at the Annual General Meeting. Shareholders vote on all director elections or re-elections at the Annual General Meeting.

OVERSIGHT

- Board
- Nominations Committee
- Remuneration And Talent Management Committee

GOVERNING STRUCTURES AND DELEGATION (CONTINUED)

PRINCIPLE 10

The governing body should ensure that the appointment of, and delegation to, management contributes to role clarity and the effective exercising of authority and responsibilities.

APPLICATION

The Group’s governance framework provides clear delineation of roles and responsibilities, ensuring effective accountability and authority across all levels of leadership. It recognises the distinct and independent roles required for sound governance. This approach is supported by the Board Charter which clearly defines the responsibilities of the Board, the Chairman, and the Group Chief Executive Officer (CEO).

The Group CEO is tasked with implementing and executing approved strategy, policy, and operational plans, and is the primary link between management and the Board. The Group CEO is not a member of the Remuneration and Talent Management, Audit, or Nominations Committees, but may attend meetings by invitation when appropriate.

Succession planning for the Group CEO is overseen by the Nominations Committee which also reviews the Group CEO’s succession planning for Group Exco. The committee also evaluates the Group CEO’s performance annually against defined financial and non-financial key performance indicators (KPIs). Outcomes are reported to the Remuneration and Talent Management Committee for purposes of approving the Group CEO’s remuneration and are fully disclosed in the Remuneration Implementation Report.

The Remuneration and Talent Management Committee is responsible for executive management succession as well as other key positions, to provide leadership continuity. This includes both long-term continuity and unforeseen leadership transitions. The committee regularly reviews the talent landscape and progress on talent initiatives. It also hosts an annual talent workshop, which is attended by all Board members and focuses on top talent across the Group

The Board is satisfied that the Delegation of Authority framework supports role clarity and the effective exercise of authority. Matters reserved for the Board and those delegated to management are clearly outlined in the Delegation of Authority Limits, which are reviewed regularly.

The Group Company Secretary plays a critical role in supporting the Board and its committees by providing independent and professional guidance on corporate governance and legal obligations. Following a formal assessment, the Board confirmed that the Group Company Secretary, Chantel Reddiar, possesses the appropriate qualifications, experience, and competence to fulfil the duties of a public company secretary. She is not a director and maintains an arm’s-length relationship with the Board, ensuring independence in line with King IV™ governance practices.

OVERSIGHT

- Board
- Nominations Committee
- Remuneration And Talent Management Committee

GOVERNANCE FUNCTIONAL AREAS

PRINCIPLE 11

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

APPLICATION

The Board recognises risk governance as a strategic enabler and maintains active oversight of the Group’s risk management processes. It sets the tone for a resilient and forward-looking risk culture, ensuring that risk considerations are embedded in strategic planning, operational execution, and decision-making.

The Risk, Information and Technology Committee, comprising all directors, has been delegated responsibility for overseeing the Group’s risk governance. The Committee meets quarterly to evaluate emerging risks, assess mitigation strategies, and monitor the relevance and effectiveness of the enterprise risk management framework. Its oversight ensures that risk management remains aligned with the Group’s strategic objectives and supports long-term value creation.

The Group employs a formalised and integrated risk management system to assess risks and opportunities at both strategic and operational levels. This includes evaluating risk exposure in relation to the delivery of strategic objectives and operational performance. The Group Risk Framework is reviewed annually to ensure its continued alignment with evolving business needs in a highly competitive and challenging market environment. This includes consideration of the impacts of emerging technologies, such as artificial intelligence, and the growing risks associated with data leakage and cybersecurity threats, which place increasing pressure on the protection of our data assets.

Risk governance is approached holistically, encompassing strategic, operational, financial, regulatory, and technological dimensions. This integrated approach enables the Group to proactively identify and respond to risks and opportunities across the full spectrum of its activities, supporting informed decision-making and long-term value creation.

Annual top-down risk reviews are conducted with the Board and Group executives, complemented by bottom-up assessments at business unit level. Risks are measured against defined criteria, including likelihood and potential business impact. These insights are consolidated into a Group-wide risk profile, enabling oversight of material risks and alignment with formalised risk appetite and tolerance statements.

Response plans are developed with consideration for the potential impact of key risks and the effectiveness of existing mitigating controls. The Group’s key risks and mitigation strategies are disclosed in the Integrated Annual Report, which also outlines the Group’s combined assurance model.

OVERSIGHT

- Board
- Risk, Information and Technology Committee
- Executive Management

USEFUL LINKS FOR MORE DETAIL

GOVERNANCE FUNCTIONAL AREAS (CONTINUED)

PRINCIPLE 12

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

APPLICATION

The Board exercises ongoing oversight of technology and information governance, recognising their critical role in sustaining and enhancing the Group’s intellectual capital, protecting personal information, and ensuring the integrity and security of data assets.

Authority for monitoring the strategic approach to technology and information governance has been delegated to the Risk, Information and Technology Committee (comprising all directors). The Committee’s mandate also includes oversight of the Group’s digital and data capabilities as well as all related risks and opportunities.

Management is responsible for implementing the Group’s technology and information governance framework, supported by the Information Management Committee. This Committee, comprising Chief Information Officers and senior executives from relevant business areas, ensures that data and technology are leveraged to support strategic objectives in compliance with

Board-approved policies.

The Group Data Analytics Officer (GDAO) plays a pivotal role in enabling the business to harness advanced analytics, artificial intelligence (AI), and machine learning (ML) technologies. These capabilities are governed through established frameworks and policies, ensuring responsible innovation, ethical usage, and alignment with strategic priorities.

Major technology initiatives are governed through the Delegations and Limits of Authority frameworks and reviewed monthly by the Investment Committees. The Risk, Information and Technology Committee receives quarterly updates via the Chief Information Officers in South Africa and Australia, enabling informed oversight of technology investments and expenditure.

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 organisation being ethical and a good corporate citizen.

APPLICATION

The Board maintains oversight of the Group’s compliance with applicable laws, regulations, codes, and standards, ensuring that operations are conducted ethically and in accordance with governance expectations. The Social and Ethics Committee is responsible for overseeing the Group’s compliance framework, which it reviews annually to ensure continued relevance and effectiveness.

The Group Compliance Policy is reviewed by the Committee annually. The Policy provides a framework for monitoring compliance and related risk. Legislative and regulatory compliance is monitored by management through the Group’s Risk, Compliance, and Legal functions. The Compliance Department plays a key role in supporting business units by interpreting and implementing applicable legal and regulatory requirements and disseminating these as appropriate.

Compliance is embedded into the organisational culture through ongoing training and awareness initiatives. In South Africa, training is delivered via the Governance Academy’s digital platforms, reaching employees across head office, stores, and distribution centres. In Australia, similar digital training channels are used to support compliance education across the region.

The Social and Ethics Committee receives regular reports from the Compliance teams, covering regulatory developments, complaints, training progress on key legislation, and updates on special compliance-related projects. The compliance report is also included in the Board pack for all directors to note. The Internal Audit Function provides independent assurance on the effectiveness of internal controls designed to ensure legal and regulatory compliance.

There were no instances of material regulatory breaches or litigation during the year under review.

OVERSIGHT

- Board
- Social And Ethics Committee
- Executive Management

OVERSIGHT

- Board
- Risk, Information and Technology Committee
- Information Management Committee
- Executive Management



USEFUL LINKS FOR MORE DETAIL

GOVERNANCE FUNCTIONAL AREAS (CONTINUED)

PRINCIPLE 14

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

APPLICATION

The Board, supported by the Remuneration and Talent Management Committee, oversees the Group’s Remuneration Policy. The policy is designed to attract, motivate, retain, and reward talent in a manner that is fair, responsible, and aligned with the Group’s strategic objectives and People Value Proposition (PVP).

Our fair and responsible pay barometer is used to monitor guaranteed and variable remuneration across the geographies where we operate, namely, South Africa, the rest of Africa, Australia, and New Zealand. This takes into account gender, race, and job levels.

The Committee regularly reviews, and updates as appropriate, the Remuneration Policy to ensure its continued relevance to the Group’s business model, operational context, and evolving stakeholder expectations. In addition, our remuneration practices are benchmarked against market-specific trends and best practice. Non-executive directors’ fees are benchmarked biennially or as required, with input from independent external consultants. Recommendations are made by management, and the Board approves the recommendations for tabling to shareholders for final approval at the Annual General Meeting (AGM).

The Remuneration Policy and the Remuneration Implementation Report are included in the Integrated Annual Report in line with King IV™ principles. These will also be presented to shareholders at the 2025 AGM for non-binding advisory votes.

Aligned with our commitment to continuous stakeholder engagement, a proactive engagement strategy was adopted in FY2025. This was to ensure that key stakeholders had an informed understanding of the Group’s Remuneration Policy and the links to shareholder value. The Remuneration and Talent Management Committee Chairman, Group CEO, Head of Investor Relations, and Group Company Secretary held initial engagements with key shareholders prior to the principles for the Group’s FY2025 Remuneration Policy being finalised. After the Integrated Annual Report (including the Remuneration Policy and Implementation Report) had been published, pre-AGM consultations were held with key shareholders by the Group Company Secretary and Group Head of Remuneration and Benefits. Additional follow-up discussions were held by the Chairman of the Board and the Chair of the Remuneration and Talent Management Committee.

OVERSIGHT

- Board
- Remuneration And Talent Management Committee

PRINCIPLE 15

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

APPLICATION

The Board has adopted a combined assurance model designed to provide comprehensive coverage of significant risks and material matters through a coordinated approach across multiple assurance providers. Oversight of the model is delegated to the Audit and Risk, Information and Technology Committees, ensuring that assurance activities support a robust internal control environment and the integrity of both internal and external reporting.

The model is informed by the King IV™ “Three Lines of Defence” framework. This differentiates between assurance providers or functions that own and manage risks (first line), risk oversight function or internal non-independent assurance functions (second line), and independent assurance providers (third line).

The Risk, Information and Technology Committee assesses the completeness of risk coverage, while the Audit Committee evaluates the adequacy and effectiveness of assurance obtained. Internal Audit plays a central role as an independent assurance provider, delivering annual written assessments on the design, implementation, and effectiveness of controls and the risk management function.

The Internal Audit plan is approved annually by the Audit Committee and is aligned with the Group’s strategic priorities and key operational risks. The Committee reviews the adequacy of resources and skills within the Internal Audit Function to ensure it can meet its mandate. The Group Head of Internal Audit attends all Audit and Risk, Information and Technology Committees meetings to support transparent and informed oversight.

The Audit Committee also evaluates the expertise, resources, and experience of the finance function and the Finance Director annually, reporting its findings to the Board. This reinforces the Board’s responsibility for ensuring the integrity of financial disclosures and the fair representation of the Group’s integrated performance.

The Integrated Annual Report includes information from the Group’s financial statements and the Good Business Journey Report, as well as commentary on material matters that affect stakeholders and the communities in which the Group operates. The Board is satisfied that the assurance model is effective and sufficiently robust to place reliance on the integrity of the underlying information and disclosures.

OVERSIGHT

- Board
- Audit Committee
- Risk, Information and Technology Committee

STAKEHOLDER RELATIONSHIPS

PRINCIPLE 16

In executing 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 organisation over time.

APPLICATION

The Board assumes overall responsibility for the governance of stakeholder relationships, supported by the Social and Ethics Committee. The Board acknowledges that a broad and diverse range of stakeholders, including customers, employees, suppliers, regulators, investors, and communities, have a vested interest in the Group’s activities, and that the Group’s operations, products, and initiatives have reciprocal impacts on these stakeholders.

The Social and Ethics Committee oversees the Group’s stakeholder engagement strategy, while operational responsibility for implementing the formal stakeholder engagement framework is delegated to management across the Group. Management is expected to proactively manage stakeholder relationships. This includes identifying and addressing stakeholder needs and related material matters, risks, and opportunities. Management provides the Board, through the Social and Ethics Committee, with regular feedback from these engagements while the Social and Ethics Committee oversees an annual review of the effectiveness of the engagement approach.

More detail on how we engage with our stakeholders is included in pages 36 to 42 of the Integrated Annual Report.

OVERSIGHT

- Board
- Social And Ethics Committee

USEFUL LINKS FOR MORE DETAIL



Governance is not a checklist. It is a connected system of principles that we apply in alignment, guided by purpose and long-term value creation.