



2025

Governance Report

31 MARCH 2024 - 29 MARCH 2025

OUR GOVERNANCE REPORT

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Chairman's Report

Notwithstanding another tough year for the South African economy, our group closed the financial period with double-digit earnings growth and ongoing market share gains despite a difficult first quarter for the retail sector. Our strong financial disciplines and highly cash-generative business model have continued to support a strong balance sheet and cash flow, enabling ongoing investment in our business as well as dividends to shareholders in line with our dividend policy.

We have been intentional in our continued investment across all parts of our business, particularly in our people as well as existing and new stores. While these investments come with short-term costs, they lay the foundation for long-term growth and profitability. Further insights into key investment areas over the past year are detailed in our reporting suite, which also provides a comprehensive overview of our business, governance, societal and future prospects.

Celebrating the opening of our 3000th store in November 2024, delivering revenue exceeding R40bn for the first time and looking forward to the 40th anniversary of the opening of the first Mr Price store later this year, has focused my mind on two fundamental aspects of the group, which are difficult to articulate in an integrated report, notwithstanding the enormous effort our team puts into it.

Firstly, the reality of retail is that every morning when we open our stores, we start with zero sales and then build through the day to reach our daily average of over R100 million of wanted fashion-value items sold to our loyal customers, every day, 365 days of the year. It is this scale that enables us to deliver great fashion at every day low prices, and drives our growing profitability. Whilst it is not something that can be adequately described in our reporting suite, our daily reality is that our millions of customers love our brands, fashion, value promise, and the service of our more than 32 000 associates so much that we continue to be ranked as South Africa's Most Loved and Most Shopped apparel and homeware retailer.

Our loyal and growing customer base inspires our trend teams, planners, merchants, logistics teams, store associates, executives and board to keep serving, growing, and investing in our ever-improving future. We exist to serve you, our customer, as Your Value Champion. We thank you for your loyal support, every day.

The second aspect of our group that stands out for me is our culture, built on the key retail principles and metrics established by our founders, Stewart Cohen and Laurie Chiappini, 40 years ago, in 1985. These fundamentals enable us to do things at scale. A recent example is the success of our latest organic concept, Mr Price Kids. Once our extensive testing was strongly endorsed by our customers, we were able to add this to the Mr Price flywheel and grow it rapidly. This is a key component of our ability to continue to outperform. As the saying goes, you ain't seen nothing yet.

The challenges we faced over the past few years brought out the best in our people: passion, partnership, dedication, resilience and innovation. It is clear that our team is energised in the pursuit of our growth ambitions. Thank you all – not only have you carried us through

the tough times, but your unchanging positive attitudes and adaptability are the momentum that will enable us to achieve our ambitious vision of becoming the most valuable retailer in Africa.

Our board is very grateful to Daisy Naidoo, who retired from the board during the year after a decade of dedicated leadership of our Audit and Compliance Committee, having seamlessly transitioned this role into the safe hands of Harish Ramsumer.

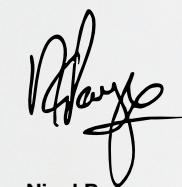
After the reporting period, co-founder Stewart Cohen advised that he will not stand for re-election at the AGM this year. The decision by Stewart to retire at the AGM coincides with the group's milestones mentioned earlier. With Stewart having reached his own milestone of turning 80 earlier this year, he feels it is the right time to step away from his formal duties. We will pay tribute to Stewart for his dedicated service and visionary leadership later this year.

In this context, Remnomco and the board, both on a unanimous basis, requested that I defer my intended 2026 retirement and stand for re-election at this year's AGM. This will enable Remnomco to implement chair succession plans in a considered way with little disruption to the effective functioning of the board and in the best interests of the business as a whole. Your support for my re-election is appreciated, with the intention that subject to exceptional unforeseen circumstances, it will be my last term as chairman.

Our board and leadership team have clearly defined what we will focus on and invest in, and what we will avoid over the next few years. Thank you to my colleagues on the board for your wisdom, independent mindset, robust debate and for the sound judgement you bring to our strategic deliberations.

Our group is highly regarded for the transparency of our reporting and our strong ethical foundations, and I am satisfied that the board performed both our governance oversight and strategic leadership roles to a high standard during the past financial year.

Over the years, our business model has proven its resilience, enabling us to navigate economic uncertainty and deliver consistent performance. Not only does this reflect our agility and strategic execution, but also our unwavering belief in our people and our purpose to be the customers' value champion both now and into the future.



Nigel Payne
Chairman

“

Our loyal and growing customer base inspires our trend teams, planners, merchants, logistics teams, store associates, executives and board to keep serving, growing, and investing in our ever-improving future. We exist to serve you, our customer, as Your Value Champion. We thank you for your loyal support, every day.”

Nigel Payne - Chairman

OUR TERMINOLOGY

THE FOLLOWING ABBREVIATIONS ARE USED IN THIS REPORT

ACC	Audit and Compliance Committee
act	the Companies Act (71 of 2008), as amended
AGM	annual general meeting
board	the board of directors of the company
CEO	chief executive officer
CFO	chief financial officer
EE	employment equity
group	Mr Price Group Limited and its consolidated entities
King IV™	King IV™ Report on Corporate Governance for South Africa 2016
KPIs	key performance indicators
listings requirements	the Listings Requirements of the JSE Limited
LID	lead independent director
LTIs	long-term incentives
MOI	the Memorandum of Incorporation of the company
NED	non-executive director
notice	notice of AGM
Remnomco	Remuneration and Nominations Committee
Remuneration report ➔	the remuneration report as contained in the Remnomco report on pages 5 - 40
reporting suite	the 2025 integrated reporting suite of the company
RITC	Risk and IT Committee
SETS	Social, Ethics, Transformation and Sustainability Committee
STIs	short-term incentives
the company	Mr Price Group Limited

















Board Report

Good corporate governance is at the core of the group’s purpose of being ‘Your Value Champion’. By focusing on the King IV™ key governance outcomes, promoting sustained value creation, and engendering stakeholder trust and confidence, the group is progressing towards achieving its vision ‘To be the most valuable retailer in Africa’ in a manner that reflects the group’s values of: passion, value, partnership.

King IV™

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- 16

The main impact of this committee’s deliberations on the group’s value creation elements is reflected below:

CAPITALS	STAKEHOLDERS	STRATEGIC PILLARS	BUSINESS ACTIVITIES	SUSTAINABLE DEVELOPMENT GOALS
<div><div>H</div>Human</div> <div><div>I</div>Intellectual</div> <div><div>M</div>Manufactured</div> <div><div>F</div>Financial</div> <div><div>S</div>Social and relationship</div> <div><div>N</div>Natural</div>	<div> Associates Customers Shareholders Landlords Government and community Suppliers</div>	<div><div>Growth and Innovation</div><div><div>Sustainability</div><div><div>People</div><div><div>Strategic Enablement</div></div></div><div><div>People</div><div><div>Operations</div><div><div>Supply chain operations</div><div><div>Merchandise processes</div></div></div></div></div></div><div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div><div>17 PARTNERSHIPS FOR THE GOALS</div></div></div></div></div>		
KING IV™ GOVERNANCE OUTCOMES				
<div>Ethical culture</div> <div>Good performance</div> <div>Effective control</div>				

Leadership

The board’s continued and consistent commitment to adopt good corporate governance begins with its “tone from the top” approach leading ethically, effectively and consciously through the key pillars of integrity, competence, responsibility, accountability, fairness and transparency. This supports the achievement of the King IV™ outcomes of ethical culture, effective control, good performance and legitimacy. All associates, from the board and executive leadership to store associates, must embody these key traits both individually and collectively. This enables the delivery of appropriate outputs, ensures long-term sustainability of the group, creates shareholder value and trust and ultimately helps achieve the group’s vision through the delivery of strategy. Good corporate governance is aspirational and must be continuously monitored, adapted and improved, considering the complex and changing environment in which the business operates. The strength of the board’s leadership is evident through its agility to process, respond and thrive in a market characterised by volatility, uncertainty, complexity and ambiguity. This remains key to ensure the group’s strategic direction and core values remain uncompromised. It is essential that governance practices are monitored and continue to be aligned and integrated throughout the group to support the achievement of strategy. More detail on the group’s strategy can be found in the strategy and performance and material matters sections on [pages 91 - 112](#) and [123 - 126](#) of the [Integrated report](#).

Role

The board is the custodian of corporate governance and is responsible for guiding the group towards achieving the governance outcomes by steering strategic direction and value creation per the board’s mandate, published on the group’s website: www.mrpricegroup.com. This includes -

- Providing ethical, effective and conscious leadership
- Ensuring the group is, and is seen to be, a responsible corporate citizen (see the group’s [Together We Do Good report](#))
- Overseeing value creation to ensure the achievement of positive outcomes for all stakeholders
- Steering and setting strategic direction and monitoring group performance for the realisation of the group’s purpose and vision
- Monitoring ethics, board composition, responsible corporate citizenship, transformation, sustainability, risk, remuneration, technology and information, compliance and assurance through its various committees
- Ensuring a stakeholder-inclusive approach

Board Statement

The board is satisfied it has fulfilled its responsibilities in accordance with its mandate for the 2025 financial year and has provided relevant information to all stakeholders to satisfy the King IV™ disclosure requirements.

The board confirms the group’s compliance with the act and the company’s MOI for the reporting period.

BOARD KEY FOCUS

FY2025 Key Focus and Discussion Areas

- Monitoring and supporting the group’s strategic growth objectives in pursuit of its vision and purpose, including, considering (and either approving or declining) various organic and acquisitive opportunities, and quarterly assessment of progress against strategic KPIs
- Ongoing support of management’s iterative integration and performance oversight of Studio 88 and the acquisition of the first tranche of minority shares
- Under the guidance of RITC, overseeing the appropriateness of management’s response to all material risks in the business (refer to material matters on **pages 121 - 126** of the **Integrated report** 📄)
- Under guidance of RITC, continued monitoring of the group’s business model to support an increasingly digital future (refer to material matters on **pages 125 - 126** of the **Integrated report** 📄)
- Under the guidance of SETS, strengthening and monitoring the progress of the group’s sustainability efforts and transformation strategy particularly in the context of the amendments to the EE Act
- Continued support of management regarding engagement with government and various industry bodies on issues impacting communities and business in the Kwa-Zulu Natal province and nationally
- Ensuring capital allocation recommendations by management correctly align to strategy achievement and that balance sheet management remains a cornerstone of the group’s investment case
- Ensuring the group’s quality of earnings promotes the group’s long-term sustainable earnings targets
- Embracing good corporate governance and overseeing the conduct of independent performance evaluations of the board, the committees and independence of non-executive directors
- Under the guidance of Remnomco, monitoring board and executive leadership succession planning and the implementation of a new STI framework for associates
- Under the guidance of ACC, monitoring the performance of the external auditors and the designated audit partner following their first year-end audit of the group
- Under the guidance of ACC, monitoring the developments and impact of the amendments to the act, especially regarding remuneration disclosures (together with Remnomco)

Future Areas of Focus

- Continued monitoring and support of the group’s strategic growth objectives in pursuit of its vision and purpose, including assessment of opportunities as they arise and making capital allocation investment decisions to provide funding of investment as relevant
- Continued monitoring of the phased integration and performance of Studio 88, and the acquisition of the second tranche of minority shareholding
- Under the guidance of Remnomco, continued monitoring of the composition of the board to ensure it remains fit for purpose through deliberate identification and addition of board skills
- Continued monitoring and implementation of key legislation through the various committees
- Monitoring progress on areas identified for improvement through the board evaluation process
- Under the guidance of Remnomco, evaluation of executive structure to support the achievement of the group’s strategy and progressing senior management succession planning
- Under the guidance of SETS, continue to oversee skills development, job creation and employment equity programs, whilst considering the implications of the newly promulgated 2030 EE targets

FY2025 Board Governance Activities

QUARTER

01

- Approval of the FY2024 integrated report and annual financial statements, as recommended by ACC
- Approval of the FY2024 final dividend, as recommended by ACC
- Feedback on the achievement of the FY2024 strategy against KPIs
- Annual review of the group’s application of King IV™
- CEO, CFO and company secretary evaluation for FY2024
- Confirmation of compliance with the act and the MOI

QUARTER

02

- Approval of the appointment of Deloitte & Touche as the group’s FY2025 auditor, as thereafter approved by shareholders at the 2024 AGM
- Engagement with the group’s top 25 shareholders and other shareholders who responded to the invitation to engage ahead of the 2024 AGM
- Approval of FY2025 KPIs
- 2024 AGM

QUARTER

03

- Monitoring the continued progress of KPIs in support of achieving the group’s strategy
- Approval of the FY2025 interim results, as recommended by ACC
- Approval of the FY2025 interim dividend, as recommended by ACC
- Annual special corporate governance meeting
- Independent board and committee evaluation and director independence assessments conducted
- Considered the appropriateness of the board and committee composition
- Board succession planning
- Annual review of board and committee mandates
- Approval of the group’s FY2025 B-BBEE target
- External subject matter expert presentation to the board

QUARTER

04

- Approval of the FY2026 budget
- Monitoring the continued progress of KPIs in support of achieving the group’s strategy
- Approval of associate annual salary increases for FY2025, as recommended by Remnomco
- Approval of financial assistance for the FY2026 period to inter-related foreign companies
- Senior management succession planning

BOARD OF DIRECTORS

Listed in alphabetical order

The group’s approach to board composition is to maintain a vibrant, inclusive, fit for purpose board that can navigate through disruption, challenge management and evaluate performance against established targets to support delivery of strategy



HARISH RAMSUMER
Independent, Non-executive Director

Age: 64 years
Appointed: July 2023

Committee membership:
ACC (Chair), RITC

Qualifications:
CA (SA), MCom (Tax)

Other directorships include:
Premier Group Ltd

Key skills:
Finance, governance, human capital, leadership, **risk and assurance,** strategy and innovation, technology



JANE CANNY
Independent, Non-executive Director

Age: 68 years
Appointed: March 2021

Committee membership:
RITC, SETS

Qualifications:
FCG (CS, CPG, ACC), Fellow of Chartered Governance Institute of Southern Africa

Other directorships include:
Private companies

Key skills:
Finance, financial services, **governance,** human capital, leadership, **retail, risk and assurance,** strategy and logistics, sustainability, **technology**



LUCIA SWARTZ
Independent, Non-executive Director

Age: 67 years
Appointed: August 2020

Committee membership:
SETS (Chair), Remnomco

Qualifications:
Bachelor of Arts, Diploma in Human Resources Management, Advanced Management Programme (Henley University)

Other directorships include:
Tiger Brands Ltd, Santam Ltd

Key skills:
Governance, human resources, international, **leadership,** strategy and innovation, sustainability



MARK BLAIR
Chief Executive Officer

Age: 59 years
Appointed: March 2006

Committee membership:
RITC, SETS

Qualifications:
CA (SA)

Key skills:
Finance, financial services, governance, human capital, international, **leadership,** retail, **risk and assurance,** strategy and innovation, sustainability, technology



MARK BOWMAN
Lead Independent, Non-executive Director

Age: 59 years
Appointed: February 2017

Committee membership:
Special corporate governance meeting of the board (Chair), Remnomco (Chair), ACC

Qualifications:
BCom (Finance), MBA

Other directorships include:
Private companies

Key skills:
Finance, human resources, international, **leadership,** marketing, **supply chain and logistics, strategy and innovation,** sustainability, technology



NEILL ABRAMS
Independent, Non-executive Director

Age: 60 years
Appointed*: September 2023

Committee membership:
RITC

Qualifications:
BA, LLB, LLM (Cambridge)

Other directorships include:
Ocado Group Plc (Company Secretary)

Key skills:
Governance, human resources, **international, leadership,** risk and assurance, strategy and innovation

*Transitioned from alternate director to non-executive director



NIGEL PAYNE
Independent, Non-executive Board Chairman

Age: 65 years
Appointed: August 2007

Committee membership:
RITC (Chair), Remnomco

Qualifications:
CA (SA), MBL

Other directorships include:
Bidcorp Ltd, Strate (Pty) Ltd, Vukile Property Fund Ltd

Key skills:
Finance, financial services, governance, leadership, **risk and assurance, strategy and innovation**



PRANEEL NUNDKUMAR
Chief Financial Officer

Age: 41 years
Appointed: August 2023

Committee membership:
RITC

Qualifications:
BCom (Hons), MBA, CA (SA)

Key skills:
Finance, financial services, governance, **leadership, risk and assurance, strategy and innovation**



REFILWE NKABINDE
Independent, Non-executive Director

Age: 46 years
Appointed: December 2023

Committee membership:
ACC

Qualifications:
CA (SA)

Other directorships include:
Vodacom (Pty) Ltd

Key skills:
Finance, retail, **risk and assurance, strategy and innovation,** supply chain and and logistics



RICHARD INSKIP
Independent, Non-executive Director

Age: 63 years
Appointed: July 2023

Committee membership:
Remnomco

Qualifications:
BCom degree, Strategic Information Technology Management

Other directorships include:
Hyprop Investments Ltd, Clicks Group Ltd

Key skills:
Finance, financial services, human capital, international, **leadership, retail, supply chain and logistics, strategy and innovation,** sustainability, technology



STEWART COHEN
Non-executive Director, Honorary Chairman, Co-founder*

Age: 80 years
Appointed: March 1989

Qualifications:
BCom, LLB, MBA

Other directorships include:
Private companies

Key skills:
Finance, governance, leadership, marketing, retail, **strategy and innovation**

*Retiring by rotation 27 August 2025



King IV™

This King IV™ overview guides readers on how and where to find disclosure on the application of the King IV™ practices generally as well as specific disclosures in relation to each principle.

The importance of corporate governance on business sustainability and value creation is well understood and is highlighted in times of crises, uncertainty and a rapidly changing environment. Poor corporate governance results in poor business practices and ultimately corporate failures. The group’s application of the outcomes-based and holistic approach of King IV™ continues to be integrated into the daily aspects of the business. The ultimate goal is the realisation of an ethical culture, good performance, effective control and legitimacy through the creation of value by the achievement of the group’s strategy and vision “To be the most valuable retailer in Africa”.



King IV™ Disclosures in this Report

The board chooses to not publish a ‘tick-box’ application register. Rather, it has integrated the application of the King IV™ principles and practices through the content of this report which replicates the meaningful application across the group’s daily operations. The group aims to provide relevant and material disclosure of not only the specific King IV™ matters requiring disclosure but also additional practices and procedures, to enable stakeholders to make informed decisions based on useful information. The group is supportive of the proposed King V report which reduces the number of principles and standardises disclosure for enhanced transparency and comparability.

The King IV™ board and committee evaluation is conducted biennially. In conducting the independent evaluation during the reporting period the independent assessor, The Board Practice, concluded that the group has implemented proper governance practices in regard to the effectiveness of the board and committee chairs and the operations of the board and its committees.

The board’s view is that all King IV™ principles have been applied across the group for the FY2025 reporting period.

The following governance documents are located on the **governance page** of the group’s website www.mrpricegroup.com:

- Board and committee mandates
- Policies for the appointment of directors, alternate directors and promotion of diversity on the board
- Outline of board and management committees
- Internal audit annual assurance statement
- Code of conduct
- Memorandum of incorporation
- Notice of 2025 AGM

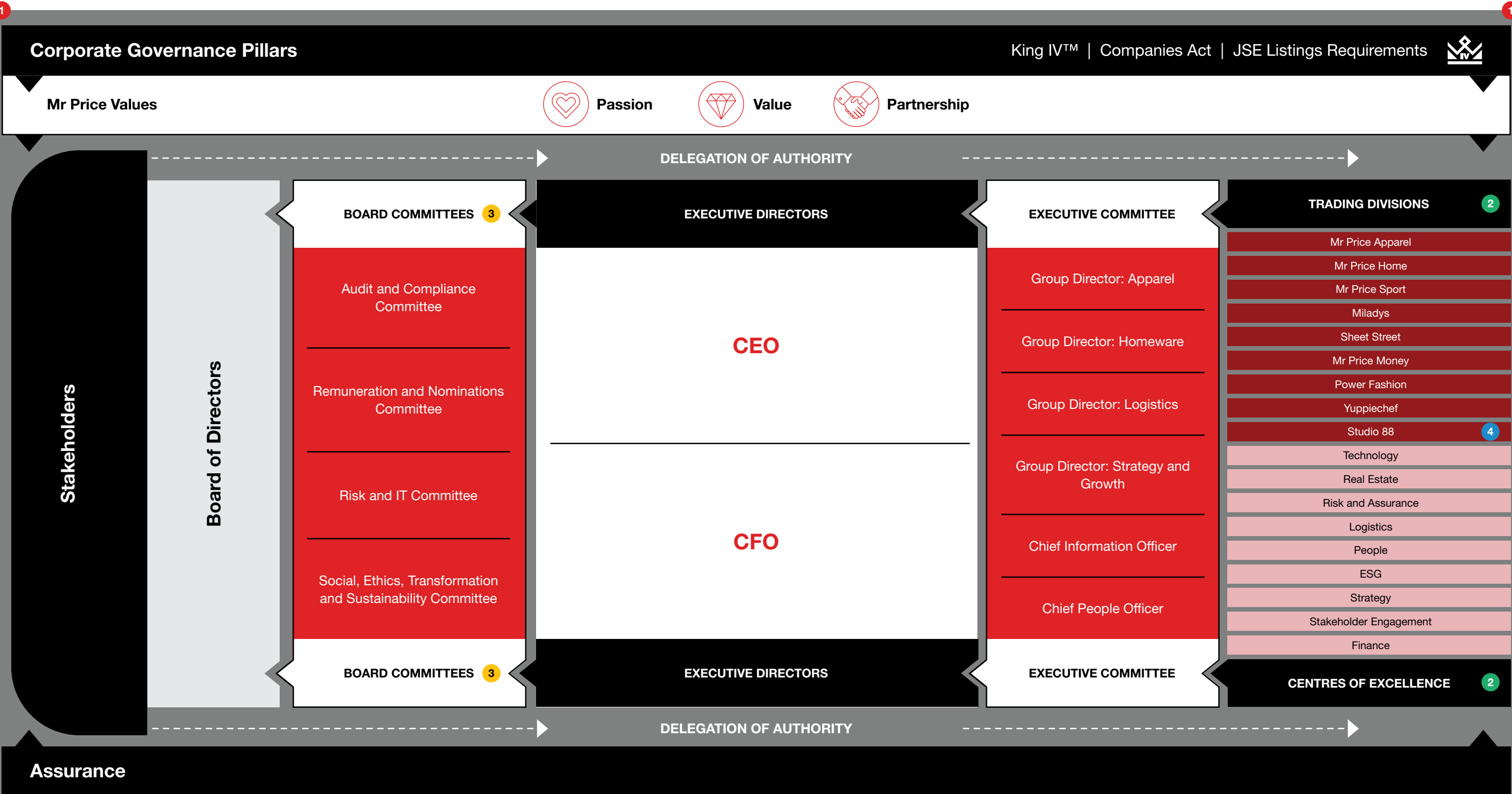


As a quick reference guide, the primary King IV™ disclosure items can be found on the following pages in this report:

PRINCIPLE	PAGES
01 Leadership	8 - 12
02 Organisational ethics*	81 - 84
03 Responsible corporate citizenship*	1 - 95
04 Strategy and performance**	91 - 112
05 Reporting	1 - 34
06 Board	11 - 12
07 Board composition	11 - 12, 17
08 Board committees	27 - 34
09 Board performance evaluation	25
10 Appointment and delegation to management	26
11 Risk governance	31 - 32
12 Technology and information governance	31 - 32
13 Compliance governance***	12 - 14
14 Remuneration governance	29 - 30
15 Assurance***	9 - 11
16 Stakeholders**	65 - 84

* Together We Do Good report
** Integrated report
*** Annual financial statements

GOVERNANCE FRAMEWORK



- 1

The activities and actions undertaken by the board, its committees, executive management and senior management are in the context of and underpinned by (i) the group values of Passion, Value, Partnership, (ii) the group ethics framework and (iii) the group's code of conduct.
- 2

Trading division and centres of excellence board meetings occur in May, July, October, and February.
- 3

Non-member director attendance at committee meetings is high, which allows for the sharing of information between committees and facilitates transparency and robust informed deliberations.
- 4

Studio 88 board meetings are conducted in terms of the shareholders' agreement between the majority and minority shareholders. Reporting both into and from the group and Studio 88 is provided as necessary by the group's CEO and CFO.

Board Composition

The group’s approach to board composition is to maintain a vibrant, inclusive, fit for purpose board that can navigate through disruption, challenge management and evaluate performance against established targets in support of delivery and achievement of strategy. The board comprises an independent chairman, LID, CEO, CFO and NEDs. At the end of the reporting period, the 11 directors comprised two executive directors, eight independent non-executive directors and one non-executive director (see [page 11-12](#) for the full board and [page 22](#) for more on independence).

The board is satisfied that its composition during the reporting period reflected an appropriate mix of knowledge, skills, experience, overall diversity and independence. The board, under the guidance of Remnomco, continually assesses this to ensure its composition supports the delivery of strategy and value creation to achieve the group’s vision to be the most valuable retailer in Africa. The approach to board composition is carefully considered, to ensure continuous improvement and a balance between maintaining relevant, fit for future skills, independence, and retaining institutional knowledge, particularly in the context of the cyclical nature of the retail environment and the fluid economic and social environment in which the group operates. Given the extensive changes to the board in the prior year, the focus in the current reporting period was to settle the board in its current construct and assess any further opportunities to strengthen skills, diversity and succession, which is ongoing.

During the reporting period and as communicated to shareholders prior to the time, Daisy Naidoo retired by rotation in August 2024 after providing 12 years of extensive finance expertise to the group.

After the reporting period, Stewart Cohen, who is due to rotate at the 2025 AGM, advised that he will not offer himself for re-election. He will retire on 27 August 2025, as announced on SENS on 9 June 2025.

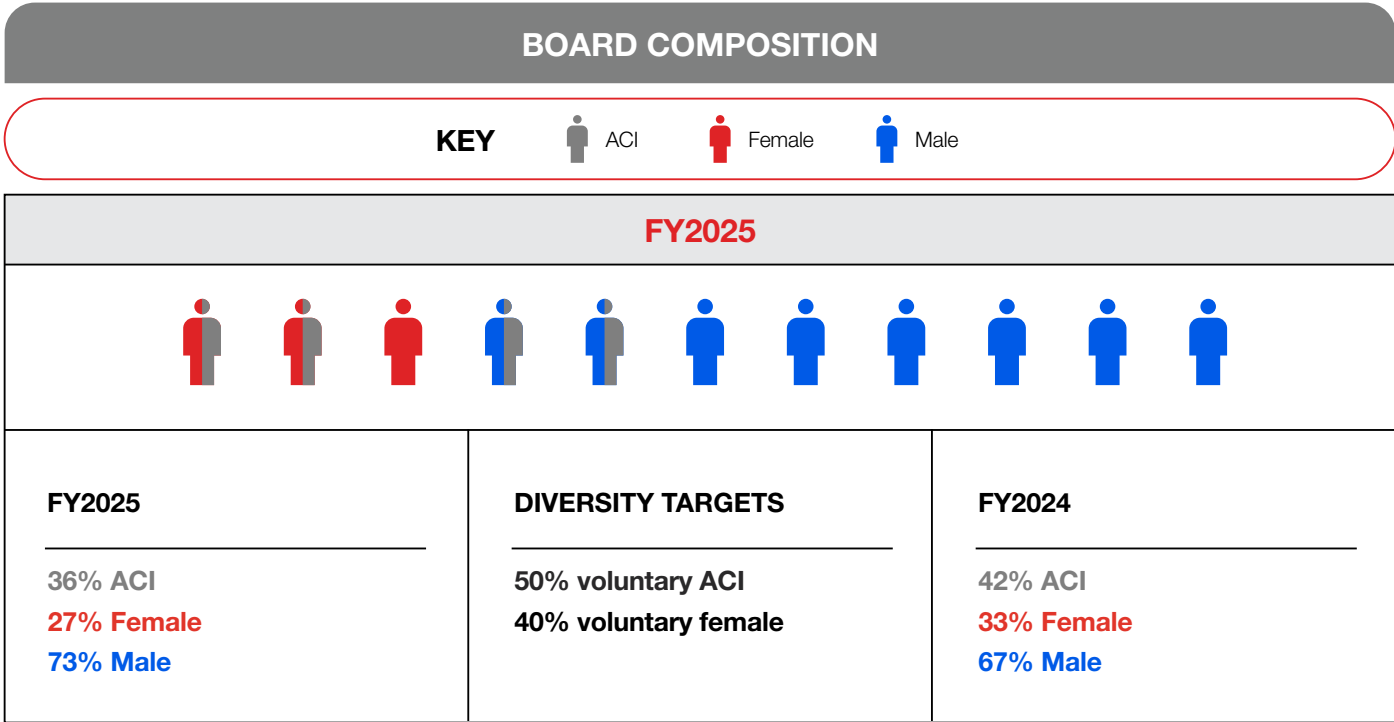
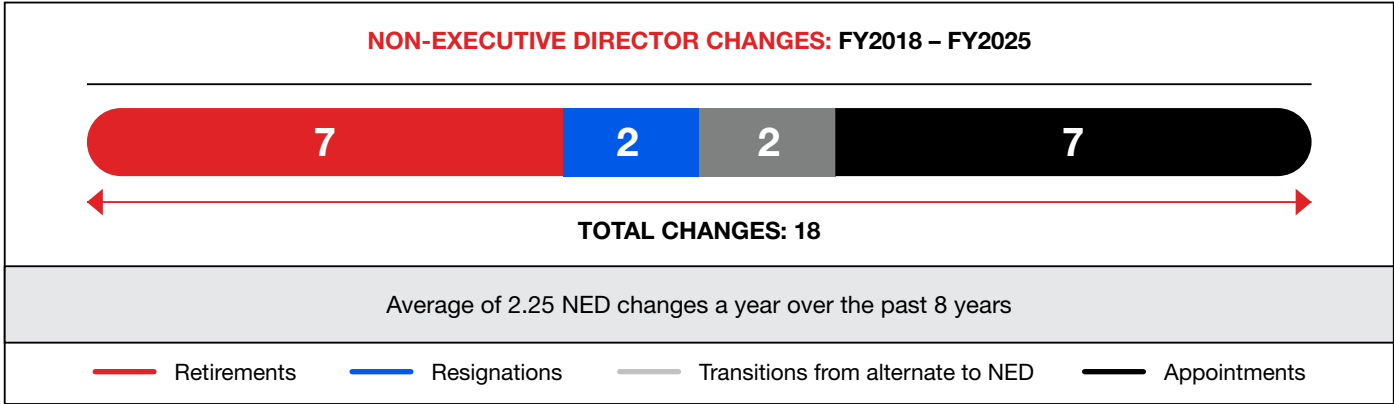


Director Capacity

The group believes there is benefit in having NEDs who sit on multiple boards and acknowledges the need to balance this with ensuring NEDs have sufficient capacity to fulfill their fiduciary duties to the group. As part of the annual review of the board’s skills matrix conducted in November 2024, directors confirmed the boards on which they sit as well as other leadership and substantive positions held. Any changes throughout the year are immediately communicated. Remnomco are satisfied that the directors have sufficient capacity to, and substantively do, fulfil both their legislative responsibilities and the group’s expectations and there is no “overboarding”.

In considering and accepting other board appointments, directors are required to engage with the chair to discuss and obtain clearance regarding impact on capacity, especially in instances where there is an overlap or conflict of financial reporting and meeting timing (see also conflicts of interest on [page 23](#)). This process was followed during the reporting period as necessary.

Regarding the recommendation of candidates for appointment to the board, Remnomco is cognisant of the nominated director’s ability to execute their duties and responsibilities. As such, the committee assesses whether nominated NEDs have sufficient capacity to execute their fiduciary duties, apply their focus to the company’s affairs (and are not committed to too many boards) while balancing the benefit of the unique perspective, experience and wise counsel that is brought to board and committee deliberations by directors who sit on multiple boards. The committee bases this assessment on the capacity disclosures made by the nominated director, publicly available information and reference checks conducted prior to appointment.

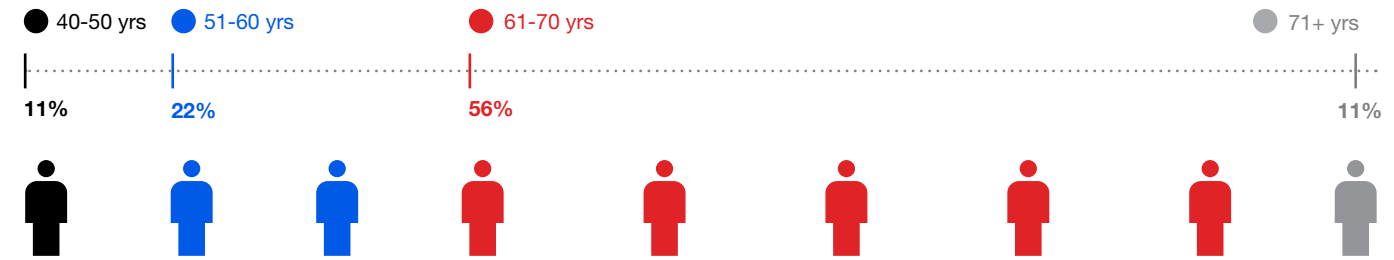


Induction and Ongoing Professional Development

The formal induction programme managed by the company secretariat supports new NEDs with their understanding of governance and statutory obligations. The programme also includes exposure to the group’s honorary chair, chair, management, trading operations and ways of working to ensure smooth integration into and deep understanding of the group to support the fulfilment of their director duties and responsibilities. The programme comprises training with the company secretary and JSE sponsor, meet-and-greets with the CEO, CFO, executive management and divisional managing directors, pre-meetings with the relevant committee chair (if applicable), attending in-house retail induction training, merchandise product reviews and visits to the group’s stores and distribution centres.

In preparation for the change of ACC chair following Daisy’s retirement in August 2024, both Daisy, as outgoing chair, and Harish, as incoming chair, were part of all 2024 year-end and committee processes including pre-meetings held with management, internal audit and external audit for the period preceding Daisy’s retirement to ensure a transfer of institutional knowledge, enabling a smooth transition.

New and current directors have access to management and their teams, the process for which is set out in the onboarding pack. The group acknowledges the importance of directors having access to training to discharge their duties and all directors receive formal and informal strategic, operational, industry and regulatory updates, both external and internal, as part of continuous education and communication throughout the year. This is supplemented by an annual formal board education session presented by an external expert on topics relevant to the retail industry, as well as subject matter expert discussions as part of the annual board strategy process. This assists in ensuring the board keeps abreast of industry, technology and economic developments, both locally and internationally, to lead effectively.



Board Diversity

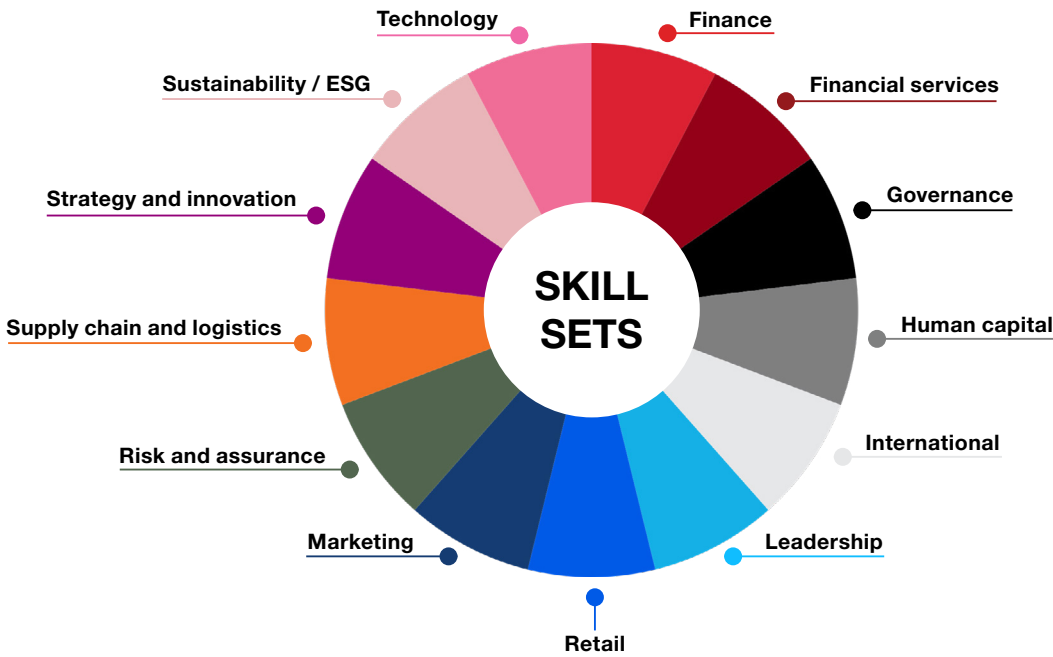
The board’s diversity cultivates robust debate on key issues which results in improved decision making. Following the retirement of Daisy in August 2024, both the board’s female and ACI representation decreased and are currently below the group’s voluntary targets of 40% female and 50% ACI representation. The board is looking to supplement its skills and provide additional depth to the ACC so future board appointments will focus on progressing these targets, balanced against available and relevant skills required to supplement the board’s existing diversity.

The balance of both ACI and female representation will increase after Stewart Cohen’s retirement in August 2025.

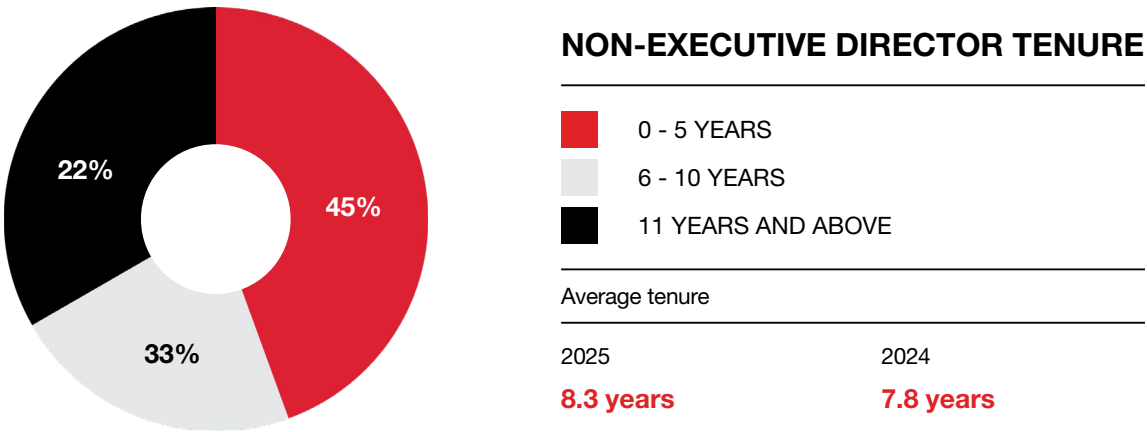


Board Skills

The board’s set of skills includes a balance of:



Tenure



Tenure (continued)

The board acknowledges and values the group’s long-standing directors, who continuously add invaluable experience and knowledge to the group. Director tenure is one of the elements considered for board diversity and by retaining institutional knowledge, skills and experience. This is balanced with the importance and benefit of introducing new directors to support a fit-for-growth business and bolstering the skills within the board. As part of the board’s succession plan and proactive approach to maintaining a vibrant board, Daisy, being one of the group’s long-standing NEDs, retired by rotation in August 2024. The current tenure of directors is well balanced, with four NEDs with a tenure of 0 to 5 years, three NEDs with tenures of 6 to 10 years, and two with tenures of more than 11 years. The board deems this to be an appropriate mix of ‘new’, settled and long-standing NEDs who play a vital role in retaining and passing on institutional knowledge.

Stewart Cohen, the group’s co-founder and long-standing NED, will retire at the 2025 AGM. Nigel Payne, who will then be the last remaining long-serving NED, continues to provide significant business knowledge and key support to management to navigate global and local socio-economic disruption and complexities, especially in recent years. His continued leadership of the board is crucial to provide governance continuity and board oversight of strategy delivery following Stewart’s retirement. In this context, Remnomco and the board, both on a unanimous basis, requested Nigel to defer his intended 2026 retirement and stand for re-election. This effective extra two year period will enable Remnomco to implement chair succession plans in a considered way with little disruption to the effective functioning of the board and in the best interests of the business as whole. The intention is that subject to exceptional unforeseen circumstances, this will be Nigel’s last term as chairman.

Over recent years consistent and considered changes have been made to board composition, with various long-serving non-executive directors retiring and new directors appointed to ensure a balance of both skills and tenure. This latter is necessitated by the cyclical nature of retail, where experience of longer-serving directors is beneficial. In 2024 long-serving ACC chair, Daisy Naidoo, retired and in 2023 Keith Getz retired after 18 years’ service. Following Stewart’s retirement in August, Nigel is the only remaining long-serving non-executive director, with average non-executive director tenure reducing to just over 5 years. As detailed on [page 17](#) under board composition, there have been an average of 2.25 NED changes a year over the past 8 years, with Stewart’s retirement bringing the total number of changes since 2017 to 19. Nigel’s extensive experience in leading the board and his in-depth knowledge and understanding of the Mr Price business, which has become more complex over time, balances the newer non-executive directors. He provides a valuable transfer of institutional knowledge and sets the tone for and expectations of new directors to maintain a highly effective and efficient board. Remnomco and the board will continue to identify and appoint new directors on a considered basis to support overall board diversity as well as the group’s gender and race diversity targets. More information on Nigel’s independence can be found under director independence on [page 22](#). The full rationale for extending Nigel’s tenure is contained in the [AGM notice](#) on [page 6](#).

Retirement by Rotation

As per the MOI, one third of the NEDs retire by rotation annually. Subject to these directors making themselves available for re-election, Remnomco recommends directors for re-election based on their attendance of board meetings, participation, value-add, and the overall balance of board skills.

As notified to shareholders on 9 June 2025, Stewart Cohen, who is due for rotation, has indicated that he will not offer himself for re-election. He will retire as honorary chair on 27 August 2025, at the AGM. In addition, Harish Ramsumer and Nigel Payne will retire by rotation at the 2025 AGM and have offered themselves for re-election.

Nigel, as seasoned board chair, provides valuable insight and wise counsel into the strategy and operations of Mr Price. His continued tenure and leadership of the board is crucial to provide governance continuity and board oversight of strategy delivery following the Stewart’s retirement. In this context, Remnomco and the board, both on a unanimous basis, requested Nigel to defer his intended 2026 retirement and stand for re-election. This effective extra two year period will enable Remnomco to implement chair succession plans in a considered way with little disruption to the effective functioning of the board and in the best interests of the business as whole. The intention is that subject to exceptional unforeseen circumstances, this will be Nigel’s last term as chairman.

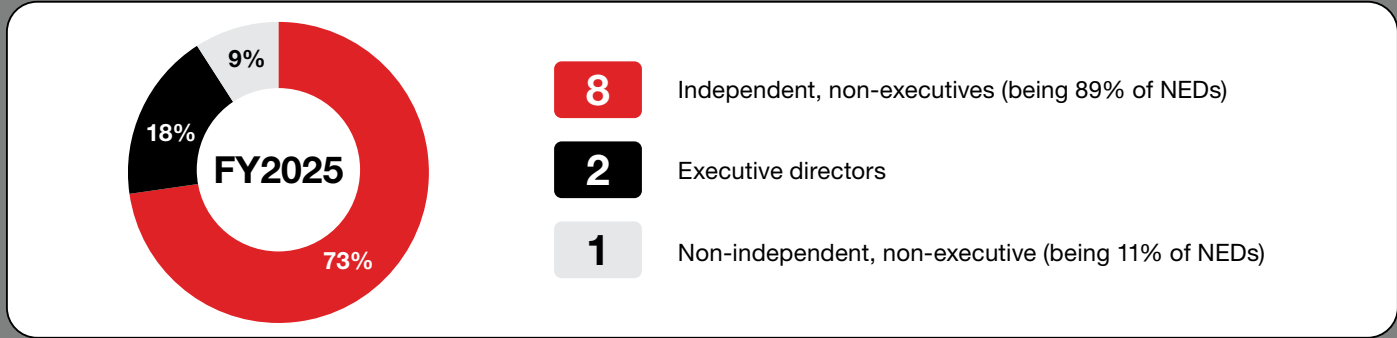
Nigel fulfils his role as non-executive director and chairman with professionalism, a healthy degree of scepticism, and in a respectful and inclusive manner. He has a respectful and arms-length relationship with management. As recommended by Remnomco and having considered Nigel’s capacity based on his other directorships and other commitments, the board is satisfied that he can and does diligently and independently fulfil his duties as non-executive director and chairman of the board. The board fully and unanimously supports Nigel’s re-election.

As also recommended by Remnomco and having considered Harish’s capacity based on his other directorships and commitments, the board fully supports Harish’s re-election as non-executive director.

Fees

NED fees and executive remuneration is disclosed in the [Remuneration report](#) on [pages 27 - 28](#). In FY2025, the group did not conduct an NED benchmarking exercise however, the proposed increases are in line with the market median of the comparator group. The proposed increases reflect an overall 4.5% increase except for the fees for the Honorary chair of the board, which reflect a voluntary decrease of 1.79% requested by Stewart Cohen to simplify his tax affairs, which was considered and honoured by Remnomco. These proposed NED fee increases for shareholder approval can be found in the [Remuneration report](#) on [page 28](#) and in the [notice](#) on [page 11](#).

Director Independence



The board retains its view that while the length of a director’s service is only one of the factors to take into account when considering independence, it is not the only one (see tenure on [page 20 and 21](#)). Each year, the independence of each NED is assessed by way of a formal written self-assessment based on several director independence indicators. These indicators include personal and professional interests, nature of relationship with the group, length of service as NED, length of overlap with CEO and CFO, and individual conduct. To further enhance this process, the board outsourced these independence assessments to The Board Practice, which were conducted during the reporting period.

To ensure individual and collective board independence, directors who have served on the board for nine years or longer are required to complete an additional self-assessment per King IV™. To supplement this The Board Practice conducted an additional assessment which included feedback from all board members on how long-serving directors or those with perceived conflicts displayed independence by exercising objective and unfettered judgement, acting in the best interest of the company, providing unbiased support and guidance to management, providing new insights and maintaining an objective and arm’s length relationship with management.

A substance-over-form approach is endorsed by the board and is aligned with the independence recommendations of King IV™. King IV™ references a nine-year independence period, after which an additional, more detailed independence assessment is carried out to determine whether a long-standing director acts with independence of mind. The view that is generally taken by investors, analysts and proxy houses is that three rotations of three years, with either an extra year (i.e. a 10-year tenure) or an extra rotation (resulting in a tenure of 12 years) is acceptable to consider a NED as independent, after which they automatically become ‘not independent’, and consequently their tenure should end. The group also notes the approach where NEDs are automatically deemed ‘not independent’ when the concurrent service between the NED and executive director exceeds 12 years, and when the NED has served for more than 15 years regardless of any overlap with any executive directors. Applying tenure as a strict rule overlooks the holistic consideration of independence, disregards the objective exercise of judgment by a director and ignores the importance of balanced tenure and industry experience across the board. The board understands that a policy position must be formed to exercise voting, and that the various corporate failures in recent times both locally and internationally have highlighted the risk of insufficient independence, especially when there is long tenure and overlap with executive management. However, independence is not a ‘tick-box’ exercise but rather a complex assessment, including both objective and subjective considerations.

Long-standing chairman, Nigel Payne continues to provide valuable insight with his extensive business knowledge. His continued tenure on the board and his deep experience as an independent non-executive director is integral to new director induction and the overall productive functioning of the board. Nigel fulfills his role as independent non-executive director and chairman with professionalism, a healthy degree of scepticism, and in a respectful and inclusive manner encouraging debate and varied views, while maintaining a robust level of governance and ensuring independence. He maintains a healthy, arms-length relationship with executive management (Nigel’s overlap in tenure with Mark Blair as CEO is six years, and with Praneel Nundkumar as CFO is going on two years), provides valuable wise counsel and has been a key support in guiding executive management through global and local socio-economic disruptions and complexities in recent years. Based on the outcomes of the independence assessment conducted by The Board Practice, the board is satisfied that Nigel exercises objective judgement and there is no interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision making, and is thus classified as independent.

Nigel’s continued tenure and leadership of the board is crucial to provide governance continuity and board oversight of strategy delivery following the retirement of Stewart Cohen. In this context, Remnomco and the board, both on a unanimous basis, requested Nigel to defer his intended 2026 retirement and stand for re-election. This effective extra two year period will enable Remnomco to implement chair succession plans in a considered way with little disruption to the effective functioning of the board and in the best interests of the business as whole. The intention is that subject to exceptional unforeseen circumstances, this will be Nigel’s last term as chairman.

Although the board is satisfied that each director acts with independence of mind and in the best interests of the group, the board also takes into account the appearance of independence and because of this has again classified Stewart Cohen as not independent due to his voting rights as a B ordinary shareholder. The board is further satisfied following the outcomes of the independence assessment conducted by The Board Practice that Neill Abrams, taking into account his relationship to Stewart Cohen, exercises objective judgement and there is no interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision making, and is thus classified as independent.

Board Chair

The board considers its chair, Nigel Payne, to be independent (see [page 22](#)) based on the group's approach to tenure and independence and the outcome of the external independent assessment conducted during the reporting period. In addition, Mark Bowman is the appointed LID thus ensuring a clear balance of power with no one director holding unfettered decision-making power. The LID is responsible for chairing the board's annual special corporate governance meeting, facilitating the conduct of the company secretary performance evaluation, providing regular formal feedback on progress against matters requiring improvement and acting as chair where the board chair is conflicted or unavailable. The LID role will transition from Mark to Lucia Swartz during the 2026 financial period, with Lucia formally assuming LID responsibilities following the 2026 AGM.

Insider Trading and Dealings in Shares

The board adheres to a strict policy and process for dealings in the group's shares, and directors (as well as the company secretary and assistant company secretary) cannot trade during closed and prohibited periods. The chair must approve any director share dealings which are then disclosed in terms of the listings requirements, and share dealings by senior management must be approved by the CEO or company secretary. Directors and associates are notified in advance of all closed and prohibited periods and adherence to the requirements of and restrictions on trade are carefully managed.

Conflicts of Interest

Directors are obliged to avoid conflicts of interest, both actual and potential, and always act in the best interests of the group. Directors may not use their position or access to confidential or price sensitive information to benefit themselves, directly or indirectly. Directors update their conflicts of interest registers when changes occur and review them at least quarterly before each board meeting. For transparency, updates to directors' registers are included in each board pack and directors are required, or are asked, to recuse themselves from any agenda item or decisions in respect of which there may be a conflict. Where conflicts of interest cannot be avoided, they are proactively and appropriately managed. Before a director accepts additional professional commitments, the director discusses with the chair whether there is any conflict of interest which will impact the director's ability to exercise their duties to the group following such appointment.

Meeting Attendance

The board meets formally four times a year. In addition, the board convenes virtually in July to review the 13-week trading update, in January to review the Q3 trading update and on an ad hoc basis when necessary. The committees meet formally three times a year and on an ad hoc basis if needed. In addition, ACC and Remnomco have short committee sessions during the March board meeting to address focused agenda items before financial year-end. A separate corporate governance meeting is held in November to deal with governance matters. This ensures sufficient time is available during the other meetings to focus on matters of strategic importance. Directors' attendance at the board and committees meetings of which they are members is consistently high. If there is a meeting timing conflict which cannot be resolved, the relevant director notifies the board chair and company secretariat well in advance to tender apologies and provide, where applicable, input through the chair ahead of said meeting. The meeting recording is shared if the nature of the discussion warrants additional detail or context to what is reflected in the minutes. There were no unexpected apologies during the reporting period. Although non-member director attendance at committee meetings is not reflected in the table, attendance by non-member NEDs is custom and is also consistently high, facilitating transparency and robust, informed deliberations to allow for integrated thinking and decision making.

COMMITTEE MEMBERSHIP AND ATTENDANCE FY2025

	Name	Board	AGM	Special Corporate Governance	ACC*	Remnomco*	RITC*	SETS*	Overall attendance
Executive	Mark Blair	4/4	1/1	1/1			3/3	3/3	100%
	Praneel Nundkumar	4/4	1/1	1/1			3/3		100%
Non-Executive	Stewart Cohen	4/4	1/1	1/1					100%
Independent, Non-executive	Nigel Payne	4/4	1/1	1/1		3/3	3/3		100%
	Mark Bowman	4/4	1/1	1/1	4/4	3/3			100%
	Daisy Naidoo ¹	2/2	1/1		2/2		2/2	2/2	100%
	Harish Ramsumer ²	4/4	1/1	1/1	4/4		3/3		100%
	Jane Canny	4/4	1/1	1/1			3/3	3/3	100%
	Lucia Swartz	4/4	1/1	1/1		3/3		3/3	100%
	Neill Abrams	4/4	1/1	0/1			3/3		89%
	Refilwe Nkabinde	4/4			4/4				100%
	Richard Inskip	3/3	1/1	1/1		1/1			100%

Key: ■ Chair ■ Member

1. Retired by rotation 29 August 2024
2. Appointed chair of ACC 29 August 2024

*Executive committee members, key trading divisions, centres of excellence senior management, external and internal auditors are permanent invitees to the relevant committee meetings (as per the committee mandates located on the group's website www.mrpricegroup.com). This creates transparency through direct access to management and facilitates robust discussions, which enables the board and committees to make more informed, better decisions.

Performance Evaluations

The performance of the board and its committees is monitored through a formal process facilitated by the company secretariat. Detailed performance evaluations of the board, chair, directors, each of the committees and the respective members and chairs are conducted every other year with improvements formally documented and monitored until the next evaluation. The scope of the assessments cover governance requirements such as conduct of board and committee meetings, people factors including contribution and interactions with management, business specific issues relating to strategic direction, matters material to the group and living the group values.

As recommended by King IV™, the performance evaluations conducted in the reporting period were carried out by an independent assessor, The Board Practice. The assessor provided comprehensive written and verbal feedback on the performance of the board, the committees and individual directors. Based on the outcome of the assessments, steps for improvement are documented and progress against same will be tabled biannually at the respective board and committee meetings until the next assessment is conducted, which is scheduled for late 2026. The Board Practice confirms that the board is discharging its duties fully and that the committees are key support structures of the board. Overall, the board, its committees and members function efficiently and discharge their responsibilities as the group’s custodians of corporate governance and as required in terms of King IV™. The board is satisfied that the evaluation process is improving its performance and effectiveness.

Remnomco assessed the performance of the CEO and CFO during the reporting period by considering feedback from (i) the board, the chair and honorary chair in the case of the CEO, (ii) the ACC and CEO review in the case of the CFO, and (iii) results of the evaluation conducted by The Board Practice. Remnomco and the board are satisfied with the performance of both executive directors (see pages 29 - 40 of the Remuneration report detailing performance of the executive directors).

Board Succession

The board annually reviews its succession plan which includes committee succession, at the Special Corporate Governance meeting to ensure continuity of leadership. In the context of the retirement of the honorary board chair, Stewart Cohen, in August 2025, Remnomco and the board, both on a unanimous basis, requested Nigel to defer his intended 2026 retirement and stand for re-election. This effective extra two year period will enable Remnomco to implement chair succession plans in a considered way with little disruption to the effective functioning of the board and in the best interests of the business as whole. The intention is that subject to exceptional unforeseen circumstances, this will be Nigel’s last term as chairman.



Delegation to Management

Authority to implement and execute approved strategy is sequentially devolved as depicted in the governance framework on pages 15 and 16, and formally to management through the delegated limits of authority document. These limits of authority are reviewed annually by management and the board to ensure they remain aligned to the group’s risk appetite and strategy and appropriately balance governance oversight with operational efficiency. Adjustments are also made on an ad hoc basis to facilitate operational requirements. The board is satisfied holistically that the governance framework and delegated limits of authority provide role clarity and contribute to effective exercise of authority. As part of continuous monitoring and improvement, the formal delegation document and governance framework were updated during FY2025.

Chief Executive Officer

The CEO, together with the CFO, collectively exercise executive control over, and management of, the group and its trading divisions and centres of excellence. The CEO had no professional commitments outside the group during the reporting period. The CEO does not have a fixed-term contract, but has a notice period of six months as stipulated in his engagement letter. Emergency succession and succession planning for the CEO role over the long-term is in place.

Company Secretary

The performance of the company secretary for the FY2025 reporting period was formally reviewed in June 2025 in compliance with paragraph 3.84(h) of the listings requirements. The board is satisfied Janis Cheadle, who also leads the group ESG Centre of Excellence, has the competence, qualifications and experience necessary to effectively discharge her responsibilities and, for the reporting period, performed her duties and provided appropriate professional corporate governance guidance to the board on an arms-length basis.

Board Committees

The board has delegated roles and responsibilities to standing board committees, some of which are required by law, to assist with the effective discharge of its duties. Notwithstanding the various committees, the board retains ultimate responsibility for leading and steering the group and applies its collective mind to the information, opinions, recommendations, reports and statements presented by the committees. The board confirms each of the committees has satisfied their respective responsibilities in accordance with their mandates for the reporting period. The independent performance assessments conducted during the reporting period by The Board Practice concluded that the committees are key support structures of the board and are each highly effective in fulfilling and delivering value on their responsibilities and mandates.



Audit and Compliance Committee

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CHAIR	MEMBERS
Harish Ramsumer, Daisy Naidoo (retired by rotation 29 August 2024)	Mark Bowman, Refilwe Nkabinde
ROLE	
<p>The audit and compliance committee performs duties in terms of section 94(7) of the Companies Act (71 of 2008) and the King IV Report on Corporate Governance for South Africa (King IV) and the JSE Listings Requirements. The committee has been delegated the responsibility to provide meaningful oversight of the internal and external audit, finance and compliance functions. The committee mandate is published on the group’s website www.mrpricegroup.com. The committee members, their qualifications and experience, the number of meetings held and attendance at meetings are detailed on pages 11 - 12 and 23 - 24.</p> <p>The committee provides independent oversight of the effectiveness of the group’s assurance and compliance functions and services. It focuses particularly on combined assurance arrangements which include external assurance service providers, internal audit and the finance function. Additionally, the committee ensures the integrity of the annual financial statements and, to the extent delegated by the board, other external reports issued by the group. In doing so, it assists the board to discharge its responsibility to:</p> <ul style="list-style-type: none">• Safeguard the group’s assets• Operate adequate and effective systems of internal controls, financial risk management and governance• Issue materially accurate financial reporting information and statements in compliance with applicable legal and regulatory requirements and accounting standards• Monitor compliance with laws, regulations and adopted non-binding rules, codes and standards• Provide oversight of the external and internal audit functions	

KEY FOCUS AREAS | FY2025

- Assessing effectiveness of the group’s combined assurance arrangements
- Assessment of effectiveness of the group’s combined assurance model
- Assess suitability and performance of the external auditors and audit partner
- Assess suitability and performance of the internal auditor
- Overseeing ongoing regulatory, tax, legal, compliance and credit matters
- Considered the findings of the JSE proactive monitoring reports and reviewed managements response to the findings
- Reviewing finance function expertise and assess suitability of experience and expertise of CFO
- Monitoring the effectiveness of internal financial controls to support managements’ internal financial control attestation
- Monitoring compliance activities to ensure no material breaches of relevant legislation
- Considering management’s assessment of the restatement of 2024 and 2023 financial years in relation to the non-controlling interest liability



COMMITTEE STATEMENT

During the 2025 financial year, a restatement of the group 2023 and 2024 annual financial statements was identified regarding the recognition of financial liabilities at acquisition date (1 October 2022) of Studio 88 Group. The committee has assessed and reviewed the accounting disclosure of the restatements. The committee has assessed management’s evaluation of the root cause, as well as corrective efforts to internal financial controls to reduce future risks.

The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2025 financial year, including duties in terms of the Companies Act, JSE LR and King IV™. The independent performance assessment conducted during the reporting period by The Board Practice concluded that the committees is a key support structures of the board, and is highly effective in fulfilling and delivering value on its responsibilities and mandate. The committee reviewed the accounting policies and annual financial statements to ensure that the annual financial statements comply with IFRS Accounting Standards and are appropriate for recommendation to the board of directors for approval. Having given due consideration, the committee believes and confirms that Praneel Nundkumar, who is the financial director and carries the title chief financial officer (CFO), possesses the appropriate expertise and experience to effectively fulfil his responsibilities. The committee is also of the view that the group’s financial function incorporates the necessary expertise, resources and experience to adequately and effectively carry out its role. The committee was not required to deal with any complaints relating to accounting practices, internal audit, nor to the content of or auditing of the financial statements, internal controls and any related matters. The committee chair will be available at the AGM to answer any questions relating to the committee’s statutory obligations.



Remuneration and Nominations Committee

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CHAIR	MEMBERS
Mark Bowman	Lucia Swartz, Nigel Payne, Richard Inskip

ROLE

The board aims to deliver the most desirable outcomes and practices that appropriately balance the interests of all stakeholders in a transparent and integrated manner, while overseeing the composition and performance of the board and its committees. The committee oversees the group’s approach to remuneration to maintain fair, equitable and responsible remuneration in line with the group’s strategy. In addition, the committee is responsible for ensuring that remuneration processes are consistent and aligned, thus ensuring the talent required to achieve the group’s vision and strategy is attracted, engaged, retained and rewarded.

The committee members, their qualifications and experience, the number of meetings held and attendance at meetings is detailed on [pages 11 - 12](#) and [23 -24](#).

Detail on the group’s remuneration policy and implementation is contained in the [Remuneration report](#) as part of the reporting suite.

KEY FOCUS AREAS FY2025
<div>Executive Remuneration</div> <ul style="list-style-type: none">Approval of total packages for executive directors, including STI and LTI vesting and new awardsApproval of changes to STI structure and performance condition weightingApproval of LTI awards and new return measure for LTI awardsReview and approval of STI and LTI outcomes for the period ending 29 March 2025Adoption of minimum shareholding requirements
<div>Associate Remuneration</div> <ul style="list-style-type: none">Oversaw completion of the transition to a cost-to-company remuneration model for support centre associatesApproved annual increase percentage for general associates in the groupApproval of STI structures to align to group strategyMonitoring and alignment of the Paterson job evaluation system across the groupOversaw the commencement of a fair and responsible pay analysis across the business to identify unjustified anomalies, if any, within the group’s remuneration structures
<div>Other Activities</div> <ul style="list-style-type: none">Ongoing assessment of the effectiveness of the boardOversee continued review and bolstering of the group’s wellbeing support offerings to all associatesAssess outcome of the executive wellbeing programme initiated in partnership with DiscoveryMonitor board and executive leadership succession planningGuide leadership succession planning for middle to top management levelsOverseeing emphasis on retention of key talent, critical and scarce skillsApproved plans to harmonise store incentive structures across the groupAssessed the impact of and oversaw compliance with the Companies’ Act amendment

FUTURE FOCUS AREAS
<div>Executive Remuneration</div> <ul style="list-style-type: none">Ensure compliance with the changes relating to Companies’ Act amendmentsLTI performance conditions will be reviewed annually before LTI awards are issued to ensure alignment with shareholder interests and consideration of shareholder feedback received via engagement sessions
<div>Associate Remuneration</div> <ul style="list-style-type: none">Oversee implementation of the Paterson job evaluation system in acquired businessesMonitor enhancements to employee value propositions with continued and additional wellbeing support for associatesAssess the outcomes of the fair and responsible pay analyses and develop a fair pay philosophy linked to business priorities
<div>Other Activities</div> <ul style="list-style-type: none">Consider plan to develop the group’s (internal) pay scales to ensure fair pay principles that address the pay of all associates in a fair and responsible mannerOversee implementation of the revised store incentive structuresOversee compliance with Companies’ Act amendments, once effectiveApprove proposed amendments to policies post the cost to company transitionMonitor board and executive leadership succession planningContinued monitoring of the composition of the board to ensure it remains fit for purpose through deliberate identification and addition of board skills and diversity

COMMITTEE STATEMENT

The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2025 financial year, including duties in terms of the Companies Act, JSE Listings Requirements and King IV™. The independent performance assessment conducted during the reporting period by The Board Practice concluded that the committees is a key support structures of the board and is highly effective in fulfilling and delivering value on its responsibilities and mandate.



Risk and IT Committee

CHAIR


Nigel Payne

MEMBERS

Jane Canny, Harish Ramsumer, Mark Blair, Praneel Nundkumar, Neill Abrams, Daisy Naidoo (retired by rotation 29 August 2024)

ROLE

The RITC has delegated responsibility for governing and overseeing the risk and information technology (IT) activities of the group. The RITC mandate is available on the group’s website www.mrpricegroup.com.

The committee is responsible for assisting the board in its oversight of risk, reviewing the group’s risk appetite and risk profile in relation to strategy, reviewing the effectiveness of the group’s risk management framework and the methodology used in determining the group’s risk profile and respective responses. The committee’s responsibility is to ensure that risks and opportunities are considered and managed in a manner that influences and fulfils the setting and achievement of the group’s strategy (detailed in the enterprise risk management (ERM) section on **pages 113 - 120** and material matters section on **pages 123 - 126** of the **Integrated report** ). The committee members, their qualifications and experience, the number of meetings held and attendance at meetings is detailed on **pages 11 - 12** and **23 - 24**. To fulfil its role, the committee oversees management’s implementation and execution of effective risk management which includes mitigation responses to key risks, reducing risks to within risk tolerance, insurance cover, business resilience, IT risk management and related assurance mechanisms. In addition, the committee plays an oversight and advisory role over the group’s IT strategy and execution.

KEY FOCUS AREAS | FY2025

- Continued oversight in the group’s planning and response to the Durban port delays
- Continued monitoring of and ensuring timely insurance renewals and residual claims from the July 2021 civil unrest
- Overseeing the integration of enterprise risk management (ERM) in the strategy review process
- Continued monitoring to achieve a more integrated, proactive and continuous ERM
- Supporting management on the group’s response to the potential national election crisis scenarios
- Overseeing technology innovation, through the migration of significant portions of the legacy application base to modern cloud solutions and monitoring the maximisation of existing investments while simplifying the overall technology landscape
- Continued monitoring of the group’s unified security operations programme to further innovate and streamline all prevention, detection, analysis and response efforts and provide improved visibility into the immediate threat landscape
- Overseeing delivery of strategic technology projects that enable the achievement of the group’s strategy and vision
- Guiding continued investment in automation capabilities to facilitate increased focus of associates on value-adding activities
- Supporting investment in further data analytics skills and tools to build required reporting that creates actionable insights, and increase the adoption of AI to support data-led decision making across the group

FUTURE AREAS OF FOCUS

- Continuous enhancement of the group’s combined assurance framework
- Assessment of the movement of strategic risks (elevation and reduction) and the group’s responses thereto
- Overseeing ERM methodology enhancements with linkage to strategy achievement
- Continued monitoring of the group’s response to South African electricity supply challenges
- Supporting resilience and crisis management
- Continued monitoring of risk appetite and tolerances
- Monitoring developments in advanced data analytics, machine learning, and natural language processing to enhance customer experience, personalisation, product recommendations, pricing and forecasting
- Oversee investment in customer-centric solutions using digital platforms and tools to build and maintain long-term relationships with customers, increase retention and loyalty, while offering rewards and incentives
- Oversee the introduction of enhanced application capabilities to support enhanced merchandise processes from product development to customer engagement
- Continued oversight of the implementation of the cyber security roadmap

IT GOVERNANCE

The management of technology and information within the group is a complex process that involves several toolsets and forums within the Technology and Advance Centres of Excellence. By monitoring progress, identifying issues and making informed decisions, the organisation can achieve its goals and objectives, mitigate risks and remain compliant and competitive in the retail landscape. These functions are responsible for ensuring that IT is used effectively and efficiently. Various mechanisms are used to achieve this, including:

- Project Control Board: monitors strategic and business as usual projects in terms of scope, timeline, budget and resources on a bi-weekly basis. This ensures that projects are progressing as planned, or issues are escalated appropriately
- Architecture Design Authority: reviews and approves the conceptual architecture design for new projects or changes to existing systems. The frequency of these sessions is weekly, and the queries raised can be submitted to the enterprise architecture forum for round robin review
- The Enterprise Architecture Forum: is focused on maturing architecture practice and is responsible for enterprise roadmap planning, including monitoring of progress and changes to these roadmaps. It serves as a governance body for the continuous improvement and efficiency of the architecture capability. The forum meets monthly
- IT executive committee: oversees key IT matters on a bi-weekly basis. This includes monitoring the progress of ongoing projects, reviewing departmental budgets and resources, tracking KPIs and risks, and making decisions related to IT strategy and operations
- Technology divisional board meeting: attended by the managing directors of all trading divisions and relevant centres of excellence and reports on key items, SLAs, strategic and business as usual projects and progress, including risks and KPIs, as well as cyber security every quarter. This helps to ensure that the organisation’s technology strategy, which is aligned with the business objectives, is tracking as expected
- Executive committee: monitors strategic projects and provides investment approval for technology business cases, and monitors ROI on technology investments

All key IT matters are subsequently reported to the RITC.

COMMITTEE STATEMENT

The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2025 financial year. The independent performance assessment conducted during the reporting period by The Board Practice concluded that the committees is a key support structures of the board and is highly effective in fulfilling and delivering value on its responsibilities and mandate. The committee confirms there were no major technology incidents or significant security breaches during the reporting period.



Social, Ethics, Transformation and Sustainability Committee

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CHAIR	MEMBERS
Lucia Swartz	Mark Blair, Jane Canny, Daisy Naidoo (retired by rotation 29 August 2024)

ROLE

The committee is constituted as a statutory committee in respect of its duties in terms of Section 72(4) and regulation 43(1) of the act and a committee of the board in respect of additional duties assigned to it. The committee mandate is available on the group’s website www.mrpricegroup.com.

The committee members, their qualifications and experience, the number of meetings held and attendance at meetings is detailed on [pages 11 - 12](#) and [23 - 24](#). The committee is responsible for fulfilling the functions set out in the act and provides oversight of and reporting on organisational ethics, responsible corporate citizenship, sustainable development, and stakeholder relationships. It reviews and monitors sustainable business practices (including social and environmental practices, corporate citizenship and social investment), business ethics and transformation, to ensure that the business achieves its strategic imperatives responsibly and ethically. This also encompasses an overview of labour practices to ensure fairness and monitoring the group’s commitment to promoting and protecting human rights. As a responsible citizen the group aims to build a business in support of its strategy to sustainably protect, create and enable environmental, social and economic value. Meaningful stakeholder engagement, together with impact assessments and materiality, guide the formulation of appropriate and relevant business responses. The group’s sustainability approach and strategy can be found on [pages 9 - 11](#) of the [Together We Do Good report](#).

As delegated by the board, the committee oversees and guides the achievement of this strategy, which is owned and managed by the group’s ESG Centre of Excellence, supported primarily by the People Centre of Excellence (in respect of transformation and elements of social matters) and Mr Price Foundation, and implemented across operations by the group’s trading divisions. Sustainable value creation across social, environmental, economic and governance elements is integrated through the group’s retail operations and performance against key defined targets is included in management’s performance indicators for both STIs and LTIs

Further information on the ESG scorecard applicable to the LTIs can be found on [page 20](#) of the [Together We Do Good report](#) and in the [Remuneration report](#) on [page 24](#).

KEY FOCUS AREAS FY2025
<ul style="list-style-type: none">Monitoring the progress of the group’s transformation strategy in support of its transformation targets and inclusive cultureMonitoring material legislative developments including the Employment Equity Amendment and Climate Change ActsConsidering and approving an extension of the group’s 5-year EE plan, which expired in March 2025, by one yearOverseeing the development of a new Mr Price Foundation strategy in alignment with the group’s sustainabilityContinued monitoring of the group’s organisational health index, including the results of its associate engagement surveyOverseeing and monitoring the management, investigation and resolution of complaints reported through the group’s FairCall whistleblowing functionalityReviewing and approving the group’s B-BBEE targets for the financial yearReviewing and approving Studio 88’s B-BBEE accreditation roadmapOverseeing the progress in developing the group’s climate change plan, initial targets and action plans to reduce greenhouse gas (GHG) emissionsApproving and recommending to Remnomco the ESG scorecard applicable to LTI awards made during the financial yearMonitoring progress against KPIs and targets to support the sustainability strategy

FUTURE FOCUS AREAS
<ul style="list-style-type: none">Monitoring the progression of Studio 88’s B-BBEE accreditationContinue to oversee skills development, job creation and employment equity programs, whilst considering the implications of the newly promulgated 2030 EE targetsOverseeing the implementation of actions to further mature the group’s approach to social complianceContinued monitoring of the group’s organisational health indexApproving the climate change plan, initial targets and action plans to reduce GHG emissionsContinued oversight on progress towards adoption and assurance readiness for ISSB’s IFRS S1 and IFRS S2 reporting standards



COMMITTEE STATEMENT

The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2025 financial year, including duties in terms of the act, listings requirements and King IV™. The independent performance assessment conducted during the reporting period by The Board Practice concluded that the committees is a key support structures of the board and is highly effective in fulfilling and delivering value on its responsibilities and mandate. The committee chair will be available at the AGM to answer any questions relating to the committee’s statutory obligations.



Administration and Contact Details

	Address	Phone	Fax	Websites
Corporate Mr Price Apparel Mr Price Home Mr Price Sport Sheet Street Mr Price Foundation	Upper level, North Concourse, 65 Masabalala Yengwa Avenue, Durban, 4001 Private Bag X04, Snell Parade, Durban, 4074	031 310 8000 031 310 8638 031 310 8809 031 310 8545 031 310 8300 031 310 8242	031 304 3725 031 304 3358 031 328 4138 031 306 9347 031 310 8317 031 328 4609	mrpricegroup.com mrp.com mrphome.com mrpricesport.com sheetstreet.co.za mrpricefoundation.org
Miladys	30 Station Drive, Durban, 4001 PO Box 3562, Durban, 4000	031 313 5538	031 313 5620	miladys.co.za
Yuppiechef	14 Stibitz Street, Westlake, 7945	021 702 4969		yuppiechef.com
Power Fashion	350 Umhlangane Road, Riverhorse Valley, Redhill, 4071	031 570 8400		powerfashion.co.za
Studio 88	Aeroton Business Park, 30 O'Connor Place, Aeroton, Johannesburg, 2190	011 006 0888		studio-88.co.za
Mr Price Money Mr Price Mobile	214 Dr Pixley KaSeme Street, Durban, 4001 PO Box 4996, Durban, 4000	031 334 1011		mrpmoney.co.za
KPMG FairCall	BNT 371, PO Box 14671 Sinoville, 0129	0800 00 6465		www.thornhill.co.za/kpmgfaircall-report/questionnaire/main/
Customer Care		0800 212 535		
Account Services		0861 066 639		

Company Secretary and Registered Office

Janis Cheadle
Address: Upper level, North Concourse, 65 Masabalala
Yengwa Avenue, Durban, 4001
Address: PO Box 912, Durban, 4000
Tel: 031 310 8000

Investor Relations

Matthew Warriner
Address: Upper level, North Concourse, 65 Masabalala
Yengwa Avenue, Durban, 4001
Address: PO Box 912, Durban, 4000
Tel: 031 310 8000

Transfer Secretaries

Computershare Investor Services (Pty) Ltd
Address: Rosebank Towers, 15 Biermann Avenue,
Rosebank, 2196
Address: Private Bag X9000, Saxonwold, 2132
Tel: 011 370 5000
Email: proxy@computershare.co.za

Domicile and Country of Incorporation

Republic of South Africa

Sponsor

Investec Bank Limited

Registration Number

1933/004418/06

Independent Auditors

Deloitte & Touche

Tax number

9285/130/20/0