

2026



**Governance**  
**Report**

30 March 2025 - 28 March 2026

**SINCE**  **1985**



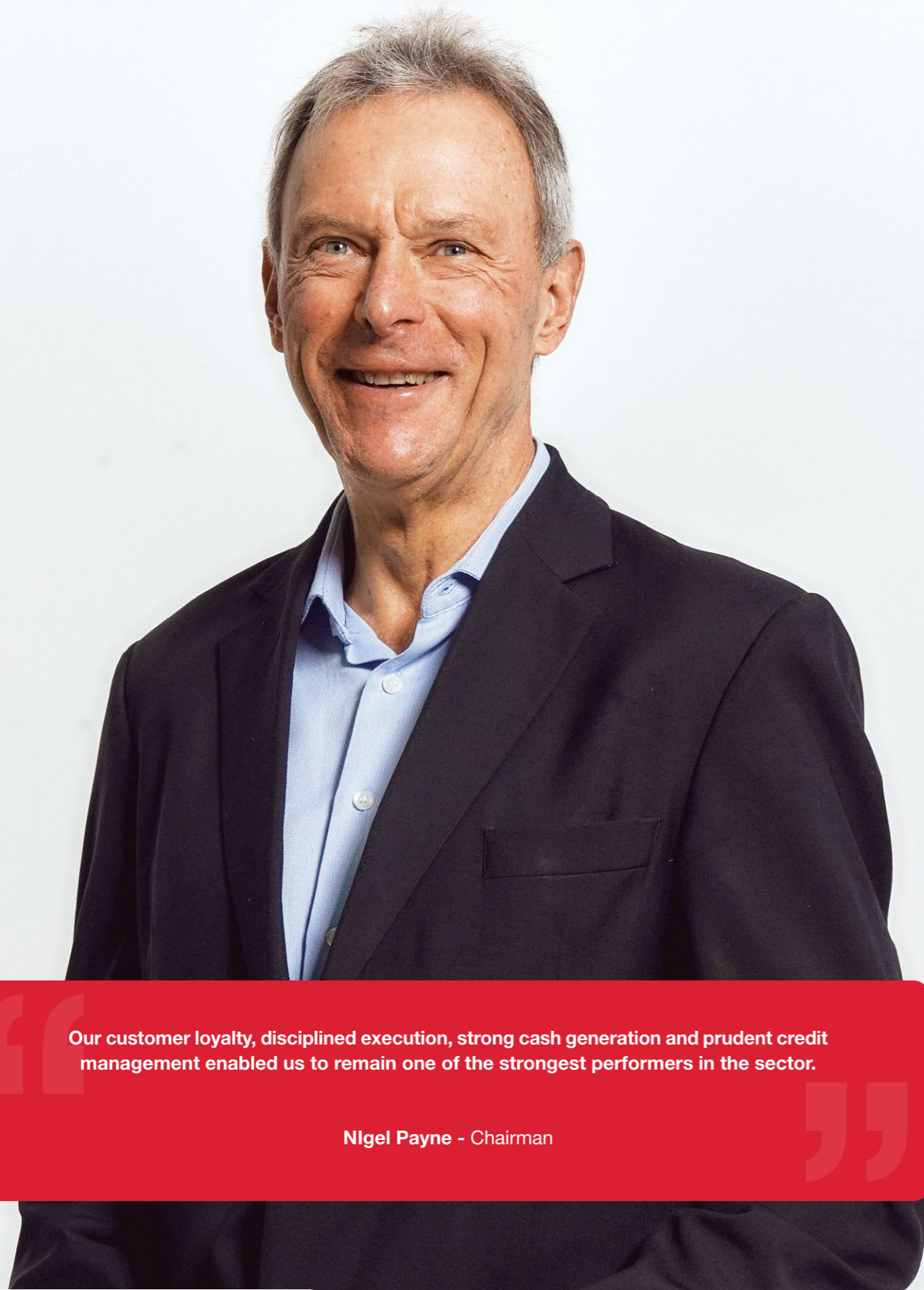
CHAPTER 05

# OUR GOVERNANCE REPORT

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# CHAIRMAN'S REPORT



“Our customer loyalty, disciplined execution, strong cash generation and prudent credit management enabled us to remain one of the strongest performers in the sector.”

Nigel Payne - Chairman

Dear Stakeholders,

Thank you for taking the time to read our 2026 **integrated reporting suite**. By doing so you will gain a deeper understanding of who we are, what we stand for, how we serve our customers and create value for all stakeholders. You will be able to evaluate our current performance in the context of our journey which started over 40 years ago by our co-founders, Stewart Cohen and Laurie Chiappini. You will gain insights into the passionate teams who drive our performance daily, be able to evaluate our performance metrics both current and historic - collectively helping you to assess the prospects of our group.

The 2026 financial year was a historic one for our group across different facets of our business. In August last year, our co-founder Stewart Cohen retired and handed over the reins of a business he and Laurie passionately built for several decades. As more than 33 000 associates wished him well, we were ready to take the next bold steps in progressing the group further on its growth trajectory. As a leadership team, we took time to reevaluate and recommit ourselves to the founding business principles on which the group was built. These principles, in combination with our values of Passion, Value and Partnership, our Red Cap culture and retail discipline - have and will continue to be the driving force behind our performance and expansion.

As Michael Porter said: 'The worst space for any business is to be stuck in the middle, without any advantage of quality or cost'. We continue to be guided by our well defined and tracked key metrics, making only minor changes as opportunities arise and conditions demand.

Beginning FY2026, we were aware that double-digit growth would be challenging in context of the strong performance of FY2025 and an operating environment that was only beginning to show signs of moderate recovery. All aspects of South African retail are thus about taking market share, an area where we have generally done well for many years. This has largely been driven by differentiation and innovation across the segments we operate. The group remains convicted in its approach - ensuring that gains are not at the expense of margins.

Our customer loyalty, disciplined execution, strong cash generation and prudent credit management enabled us to remain one of the strongest performers in the sector. As we have always done, we continue to invest through the cycle, including in tougher times, even though this comes at a short-term cost before the benefits flow. Our biggest areas of spend include continuously upgrading our stores, expanding our distribution centres, modernising our technology and further upskilling our associates.

Market conditions have recently been significantly disrupted by the impact of the US-Iran conflict on petrol prices, logistics and consumer behaviour. The South African economy is suddenly not as good as was anticipated, highlighting the benefits of some geographic diversification. We have

navigated previous shocks and proven our resilience. Our target customers tend to bounce back fastest following external stressors.

Risk control is the best route to loss avoidance. Risk avoidance, on the other hand, is likely to lead to return avoidance. As a business, we have always taken a considered approach toward managing risk both internally and externally, and over decades have built in teams and structures to reduce our risk exposure. However, complete avoidance of risk could result in lower returns and earnings growth, impacting the sustainability of our group. As a leadership team, our objective is to ensure we balance our risk tolerance with our stated goals, in context of a retail sector that continues to face varying operating conditions. Our goal is to ensure we continue to build for decades, and not years.

The acquisition of NKD, while initially viewed as a risk, represents a well-researched and considered investment aligned to the group's long-term growth strategy, as outlined in our **Integrated report**. Since the announcement, we have engaged extensively with shareholders through individual sessions and **investor presentations** and will continue to do so to ensure access to sufficient information for informed investment decisions. We remain confident in NKD's inclusion in the group's portfolio, with our focus now firmly on execution and delivery.

Thank you to my colleagues on the board for your continued quality work, wisdom and commitment to the group, and for the sound judgement you bring to our deliberations, including the many meetings held to consider our acquisition of NKD and matters related thereto.

We have a robust board culture that ensures all perspectives are considered, whilst remaining true to the foundational principles that have served us so well. This is enhanced by a good mix of longer serving and newer board members, as described in our **Governance report**. I am satisfied that the board performed both our strategic leadership and governance oversight roles to a high standard during the year.

Our board is fully supportive of our management team and believe that the business is correctly positioned. We embrace the future with confidence.

**Nigel Payne,**  
Chairman



## 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
King V™	King V™ Report on Corporate Governance for South Africa 2025
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
NKD group	being Pegasus Group Holding GmbH, incorporated in Germany, and its direct and indirect subsidiary companies
notice	notice of AGM
Remnomco	Remuneration and Nominations Committee
<b>Remuneration report</b> ▶	the remuneration report as contained in the Remnomco report on <b>pages 181 - 226</b>
reporting suite	the 2026 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

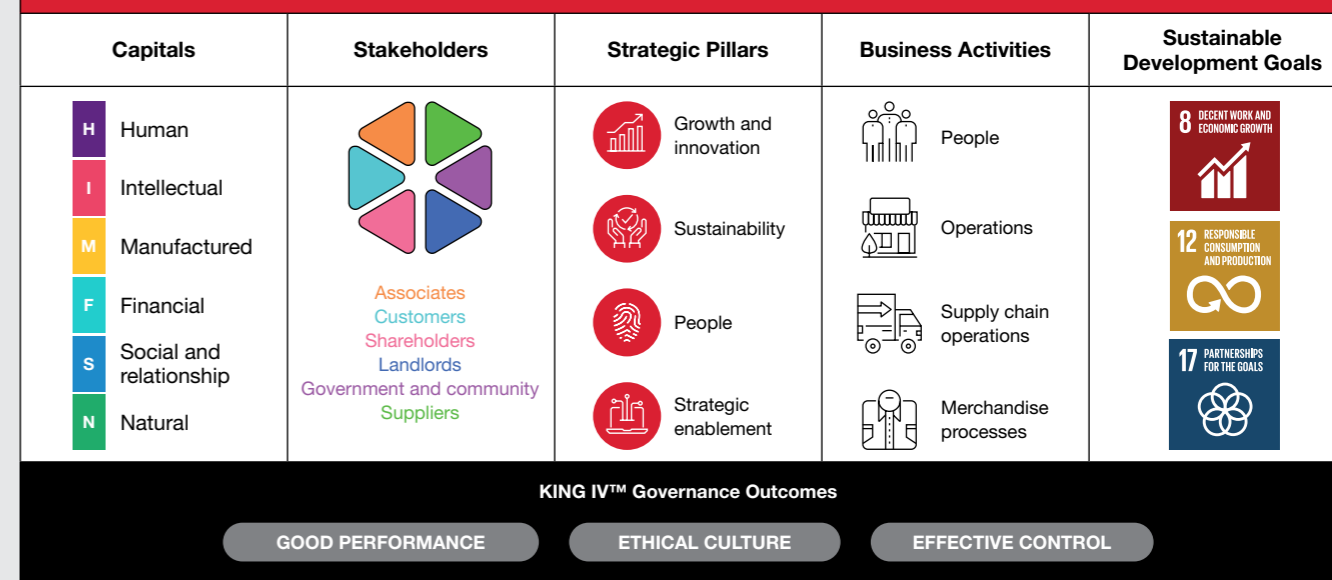


King IV™ 1 5 6 7 8 9 10 11 12 16

# BOARD REPORT

At Mr Price Group, good corporate governance is part of who we are. We believe that doing business the right way helps us build and maintain trust that allows us to be 'Your Value Champion'. We approach governance the same way we do everything else; driven by passion, guided by value, and built on partnership.

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



This report, as well as the other governance disclosures in our 2026 integrated reporting suite, align with King IV™, which applied during the reporting period under review. King V™ is effective for the group's 2027 financial period and will be addressed in next year's reports.

## LEADERSHIP

The board's continued and consistent commitment to adopt good corporate governance throughout the group extends beyond compliance, forming part of its fundamental ways of working. In setting the tone at the top, the board leads ethically, effectively and consciously through the key pillars of integrity, competence, responsibility, accountability, fairness and transparency. This collectively contributes to achieving the group's purpose as well as the King IV™ outcomes of ethical culture, effective control, good performance and legitimacy.

Displaying these key traits across all levels of the business enables the delivery of appropriate outputs, ensuring long-term sustainability of the group, creation of shareholder value and trust, whilst ultimately achieving the group's vision through the delivery of its strategy. Good corporate governance is aspirational and must be continuously monitored, adapted and improved, considering the complex and consistently changing environment in which the business operates.

The strength of the board's leadership is determined through its agility to process, respond and thrive in an environment characterised by political, economic and social uncertainty, complexity and instability. This remains key to ensure the group's strategic direction and core values remain uncompromised. It is essential that governance practices are continually monitored, aligned and integrated throughout the group to support the achievement of its strategy. More detail on the group's strategy can be found in the strategy and performance, and material matters sections on [pages 95 - 116](#) and [117 - 132](#) 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 through strategic direction and value creation per the board's mandate, published on the group's website: [www.mrpricegroup.com](http://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 and succession, 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 2026 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

## FY2026 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, specifically robust assessment of and regular engagement on various aspects of the conclusion and closing of the NKD group acquisition
- Monitoring shareholder response to the NKD group acquisition, holding various one on one and group shareholder engagements including the March 2026 investor presentation, and overseeing the dismissal of a shareholder’s referral to the Financial Services Tribunal
- Quarterly assessment of progress against strategic KPIs
- Ongoing performance oversight of Studio 88 and the acquisition of the second tranche of minority shares
- Under the guidance of RITC, overseeing the appropriateness of management’s response to all material risks in the business, specifically the impact of the US-Iran conflict (refer to material matters on [pages 127 - 132](#) of the [Integrated report](#))
- Under guidance of RITC, continued monitoring of the group’s business model to support digital enhancements (refer to material matters on [pages 127 - 132](#) 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 approval of the group’s 5-year sectoral EE plan for the period 2026 - 2030
- Continued support of management regarding engagement with government and various industry bodies on issues impacting communities and business in the KwaZulu-Natal province
- Ensuring capital allocation recommendations by management appropriately align to the achievement of the group’s strategy and that balance sheet management remains a cornerstone of the group’s investment case
- Ensuring the group’s quality of earnings supports the group’s long-term sustainable earnings targets
- Embracing good corporate governance and monitoring business areas identified for improvement from the outcomes of the independent performance evaluations of the board and the committees conducted in the prior reporting period
- Under the guidance of Remnomco, enhanced focus on board and executive leadership succession planning and organisational design
- Monitoring developments and the impact of changes to the simplified listing requirements and King V™

## FUTURE AREAS OF FOCUS

- Monitoring and supporting the group’s strategic growth objectives in pursuit of its vision and purpose, including an in-depth strategy breakaway session
- Support of management’s performance oversight of the NKD group acquisition and assessment of synergy opportunities
- Monitoring the acquisition of the third and final tranche of Studio 88 minority shareholding
- Under the guidance of Remnomco, progressing succession activities in respect of board chair succession and LID succession and supplementing the composition of the board to ensure it continues to be fit-for-purpose
- 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
- Overseeing the implementation of King V™ and alignment of disclosure and reporting requirements
- Overseeing the conduct of independent performance evaluations of the board, the committees and independence of non-executive directors
- Continued monitoring and implementation of key legislation through the various committees

## FY2026 BOARD GOVERNANCE ACTIVITIES

### QUARTER 1

- Approval of the FY2025 integrated report and annual financial statements, as recommended by ACC
- Approval of the FY2025 final dividend, as recommended by ACC
- Feedback on the achievement of the FY2025 strategy against KPIs
- Annual review of the group’s application of King IV™
- CEO, CFO and company secretary evaluation for FY2025
- Confirmation of compliance with the act and the MOI
- Monitoring the progress on areas identified for improvement through the board evaluation process

### QUARTER 2

- Approval of the re-appointment of Deloitte & Touche as the group’s FY2025 auditor, as thereafter approved by shareholders at the 2025 AGM
- Engagement with the group’s top 25 shareholders and any other shareholders who responded to the invitation to engage ahead of the 2025 AGM
- Approval of FY2026 KPIs
- 2025 AGM
- Consideration and assessment of NKD group acquisition opportunity

### QUARTER 3

- Monitoring the progress of KPIs in support of achieving the group’s strategy
- Approval of the FY2026 interim results, as recommended by ACC
- Approval of the FY2026 interim dividend, as recommended by ACC
- Approval of the group’s FY2026 B-BBEE target
- External subject matter expert presentation to the board
- Further consideration, assessment and approval of NKD group acquisition

### QUARTER 4


- Opposing the matter referred by a shareholder to the Financial Services Tribunal
- Overseeing closing of the NKD group acquisition
- Monitoring the continued progress of KPIs in support of achieving the strategy
- Approval of associate annual salary increases for FY2027, as recommended by Remnomco
- Annual special corporate governance meeting
- Director independence assessments conducted
- Monitoring the progress on areas identified for improvement through the board evaluation process
- Considered the appropriateness of the board and committee composition
- Board succession and senior management succession planning
- Annual review of board and committee mandates
- Approval of financial assistance for the FY2027 period to inter-related foreign companies
- Consideration of F2027 budget



# 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: 65 years      Appointed: July 2023

**Committee membership:**  
ACC (Chair), RITC

**Qualifications:**  
CA (SA), MCom (Tax)

**Other directorships include:**  
Premier Group Ltd, Bell Equipment Limited

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



**NEILL ABRAMS**  
Independent, Non-executive Director

Age: 61 years      Appointed: September 2023\*


**Committee membership:**  
RITC

**Qualifications:**  
BA, LLB, LLM (Cambridge)

**Other directorships include:**  
PGI Group Ltd (UK)

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

\*Transitioned from alternate director (2010) to non-executive director (2023)



**JANE CANNY**  
Independent, Non-executive Director


Age: 69 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



**NIGEL PAYNE**  
Independent, Non-executive Board Chairman

Age: 66 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



**LUCIA SWARTZ**  
Independent, Non-executive Director


Age: 68 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



**PRANEEL NUNDKUMAR**  
Chief Financial Officer

Age: 42 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



**MARK BLAIR**  
Chief Executive Officer

Age: 60 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



**REFILWE NKABINDE**  
Independent, Non-executive Director

Age: 47 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 logistics



**MARK BOWMAN**  
Lead Independent, Non-executive Director

Age: 60 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



**RICHARD INSKIP**  
Independent, Non-executive Director

Age: 64 years      Appointed: July 2023

**Committee membership:**  
Remnomco

**Qualifications:**  
BCom, 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



# KING IV™

This King IV™ overview provides a guide for disclosures on the application of the King IV™ practices and principles. King V™ was released in October 2025 effective for financial years starting on or after 1 January 2026 and is not applicable for the year under review. The group supports the simplification and improvements made through King V™ and the introduction of standardised disclosure, which will be included for the next integrated reporting suite. In addition, disclosures in the group's 2026 integrated reporting suite are not inclusive of NKD's performance, as the acquisition was effective following the close of the 2026 reporting period.

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 operations of the business and provided a solid foundation for the disruption faced during the reporting period. 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

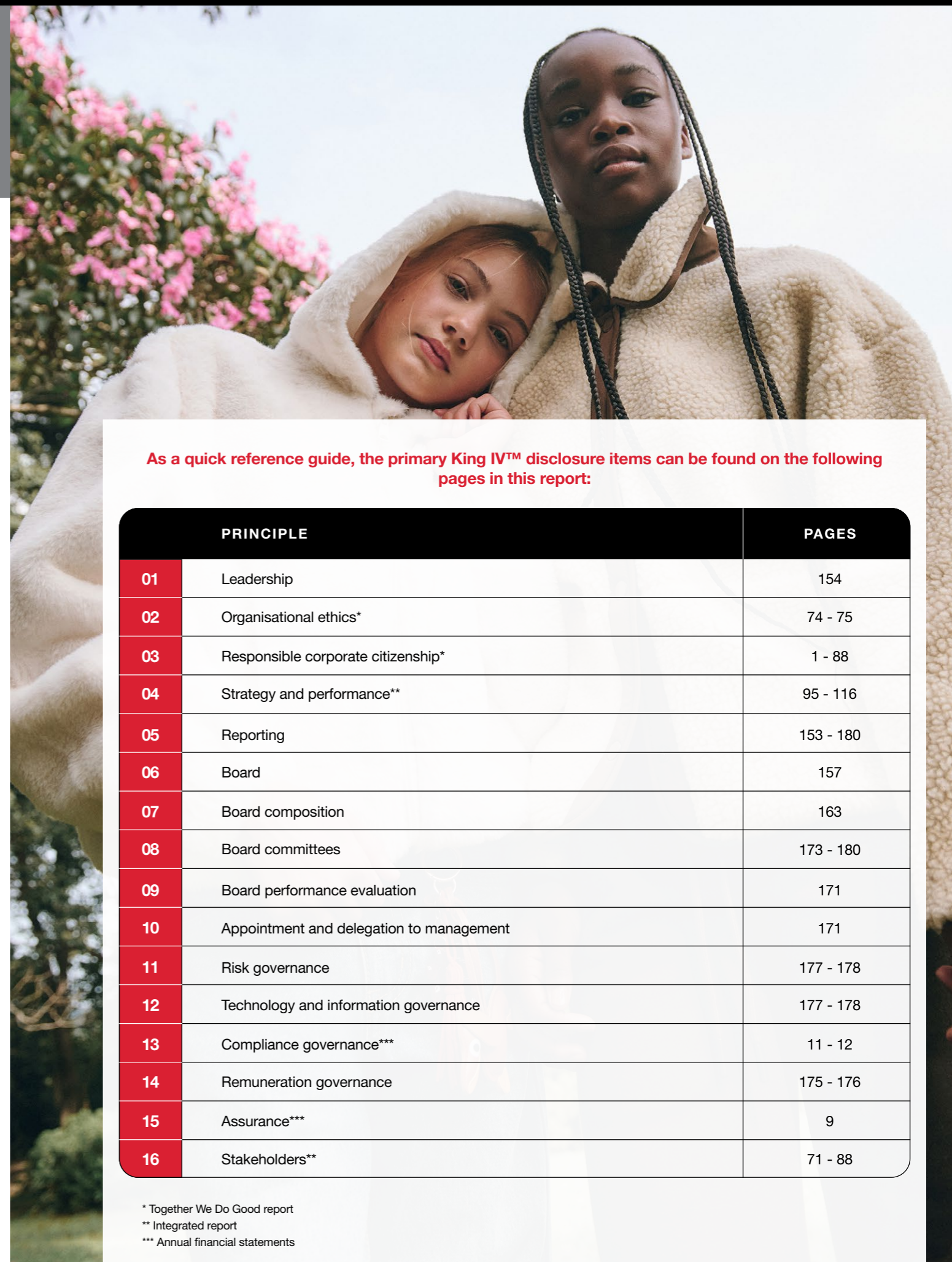
The board chooses to not publish a 'tick-box' application register. Rather, it has integrated the application of the King IV™ principles and practices through the content of this report which replicates the meaningful application across the group's daily operations. The group aims to provide relevant 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 meaningful information.

The King IV™ board and committee evaluation is conducted every two years. As disclosed in the 2025 reporting period, and in conducting the independent evaluation, the independent assessor, The Board Practice, concluded that the group complies with the provisions of the King IV™ Code regarding the effectiveness of the chairs and the operations of the board and its committees. The next evaluation will take place in FY2027.

The board's view is that all King IV™ principles have been applied across the group for the 2026 financial reporting period.

The following governance documents are located on the [governance page](#) of the group's website [www.mrpricegroup.com](http://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 2026 AGM >



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

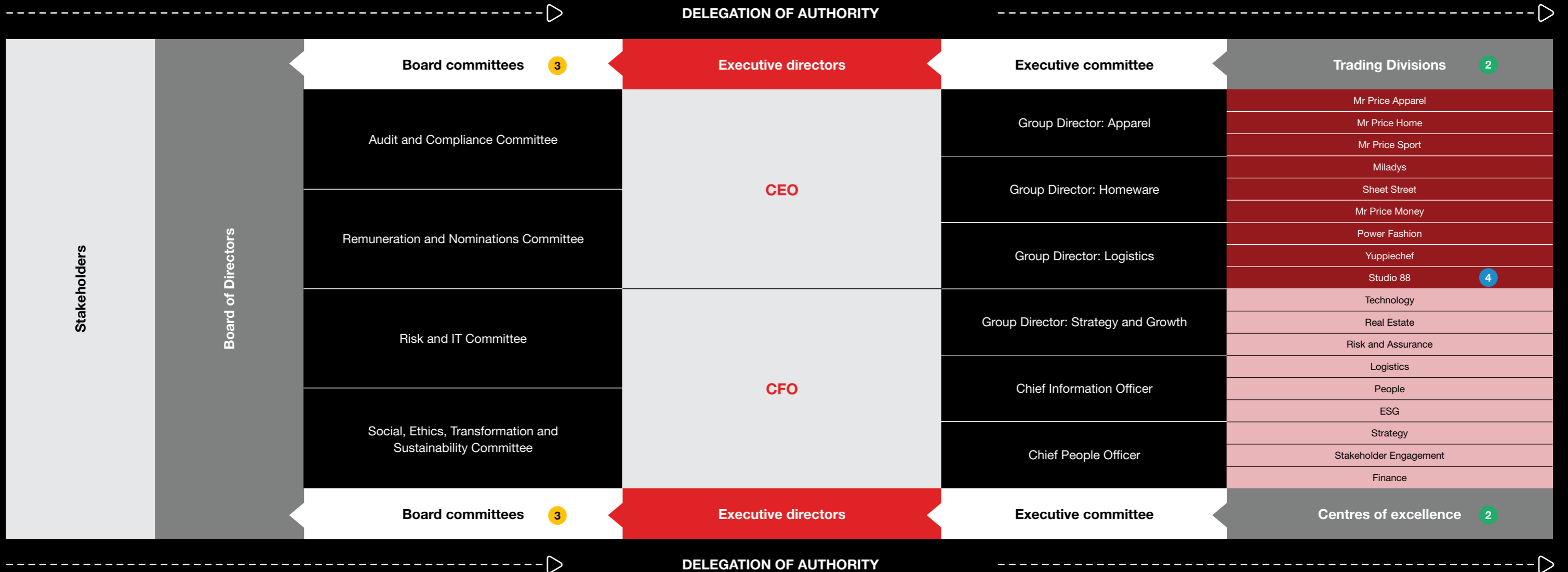
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\* Together We Do Good report  
 \*\* Integrated report  
 \*\*\* Annual financial statements

# Governance Framework

**1 Corporate Governance Pillars** King IV™ | Companies Act | JSE Listings Requirements 

**Mr Price Group Values**  **Passion**  **Value**  **Partnership**



## Assurance

- |  |   |
|--|---|
| <span style="background-color: red; border-radius: 50%; padding: 2px;">1</span>    | 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. |
| <span style="background-color: green; border-radius: 50%; padding: 2px;">2</span>  | Trading division and centres of excellence board meetings occur in May, July, October, and February.  |
| <span style="background-color: yellow; border-radius: 50%; padding: 2px;">3</span> | 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.  |
| <span style="background-color: blue; border-radius: 50%; padding: 2px;">4</span>   | 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

### KEY CHANGE:

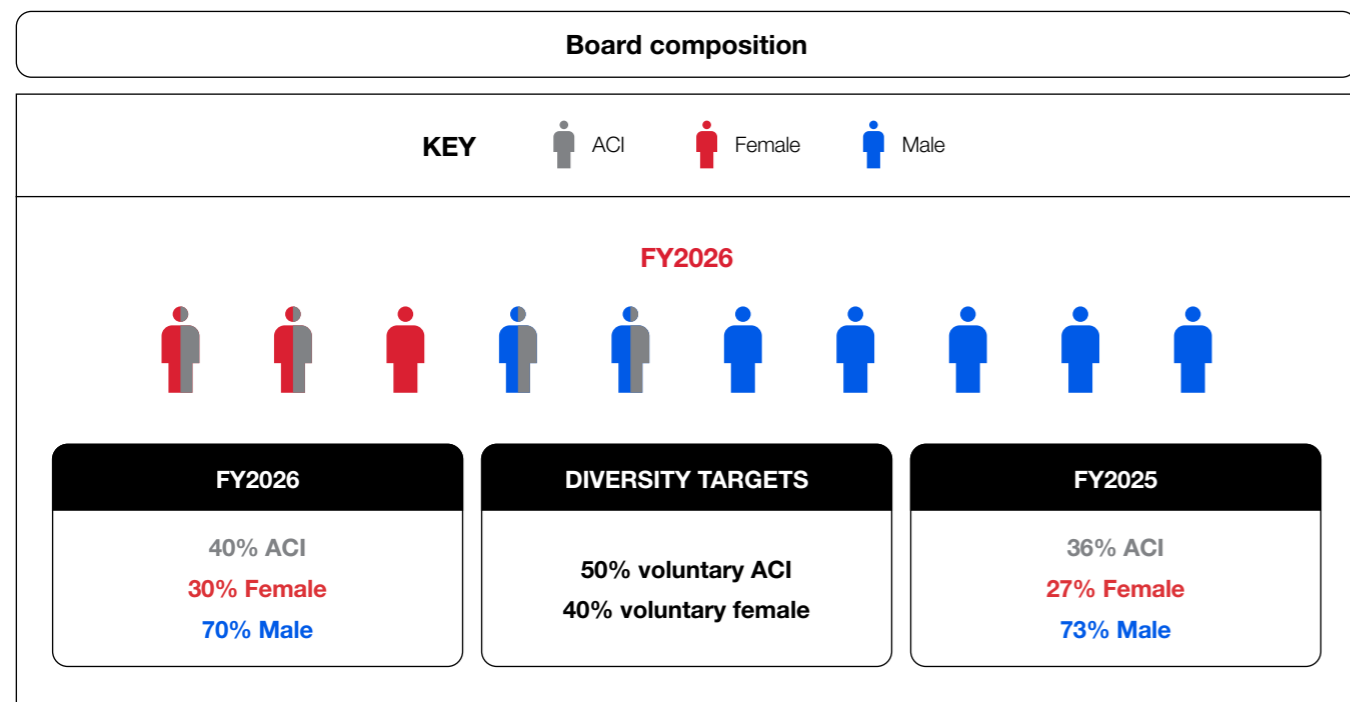
#### Co-founder Stewart Cohen retired in August 2025

The group's board composition approach is to maintain a vibrant, inclusive, fit-for-purpose and diverse board that can navigate through disruption, challenge management and evaluate performance against established targets to support of the delivery and achievement of its strategy. The board comprises an independent chairman, LID, CEO, CFO and NEDs. At the end of the reporting period, the 10 directors comprised two executive directors and eight independent non-executive directors (see [page 168](#) for further detail 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. This approach has been successful given the planned and phased retirement of long-standing directors and new appointments to the board over the past few years.

During the reporting period and as communicated to shareholders, co-founder Stewart Cohen retired by rotation in August 2025. The board and more than 33 000 group associates extend heartfelt appreciation and gratitude to Stewart for his four decades of dedicated service and visionary leadership. The incomparable way in which he lives the group's values has left an indelible mark on the organisation and each of its associates. His legacy will endure into the future as South Africans continue to benefit from the fashion-value merchandise offered across the 15 Southern African trading chains of the group.

In the context of Stewart's retirement, the board considered leadership continuity and succession, and unanimously supported Nigel Payne's re-election following his retirement by rotation at the August 2026 AGM. As also communicated, Nigel is planned to retire at the 2028 AGM. Progressing board chair and committee succession plans have and continue to be a focus by Remnomco. Remnomco and the board will continue to identify and appoint new directors on a considered basis to support overall board diversity, the group's gender and race diversity targets, and succession generally.

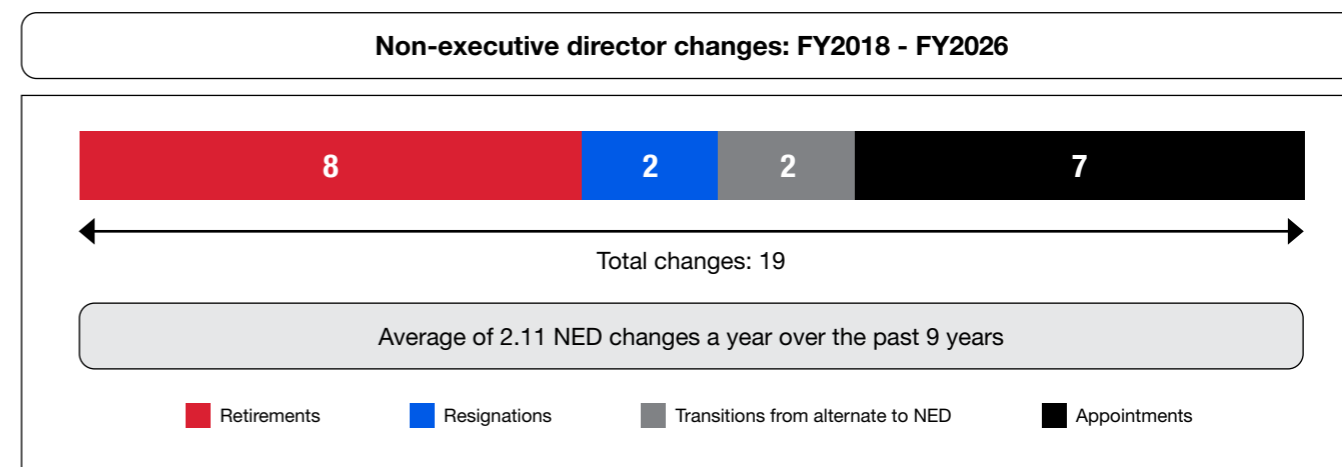


## DIRECTOR CAPACITY

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 diligently fulfill their fiduciary duties to the group. As part of the annual review of the board's skills matrix conducted in March 2026, directors confirmed the boards on which they sit as well as other leadership and substantive positions held and changes that occur during the year are communicated when the change occurs. Remnomco is 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 to accept any new appointments 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 169](#)). 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 and apply their focus on the company's affairs (i.e. a director is 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 prior to any appointment.



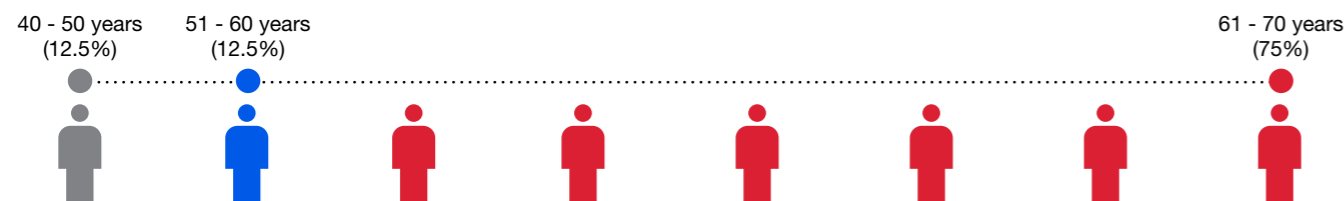
## INDUCTION AND ONGOING PROFESSIONAL DEVELOPMENT

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 chair, its management, its 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 and CFO, pre-meetings with the relevant committee chair (if applicable), executive management and divisional managing directors, attending in-house retail induction training, merchandise product reviews and visits to the group's stores and distribution centres.

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 presenter on topics relevant to the retail industry, as well as subject matter expert discussions as part of board strategy offsite sessions. This assists in ensuring the board keeps abreast of industry, technology, economic and sustainability developments, both locally and internationally, to lead effectively.

### Non-executive director age

Average age 2026 **56 YEARS** 2025 **64 YEARS**



## BOARD DIVERSITY

### KEY CHANGES

- ACI diversity increased to 40% (2025: 36%)
- Gender diversity increased to 30% (2025: 27%)

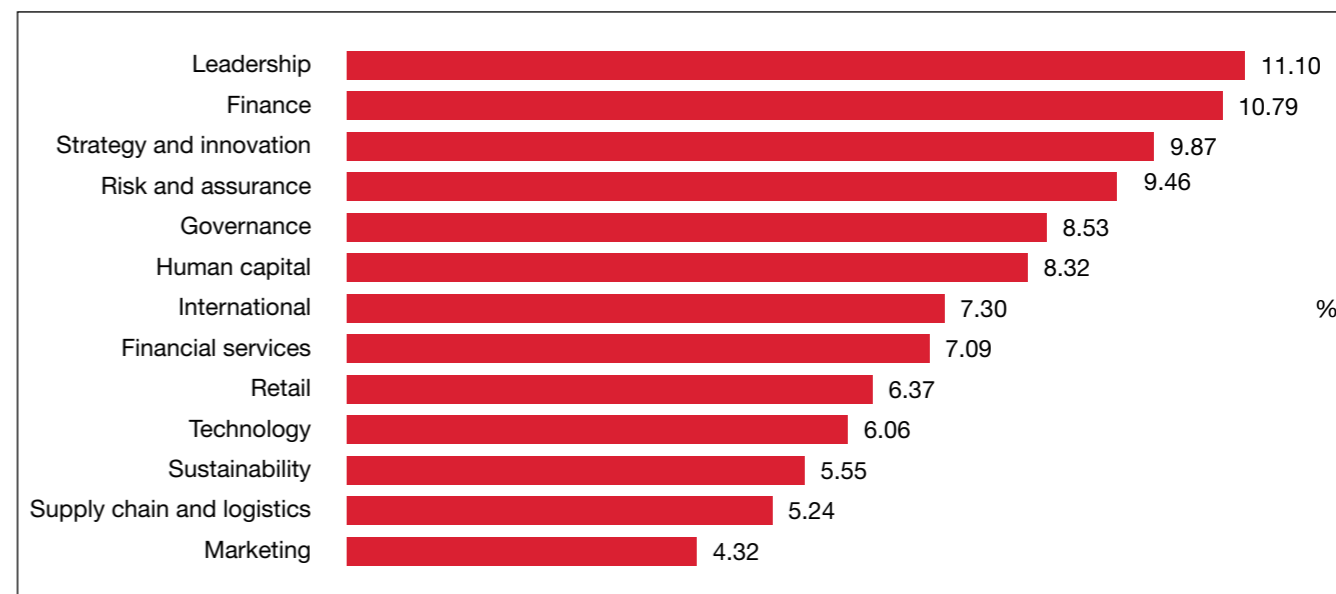
The board's continued focus on diversity ensures robust debate on key issues, ultimately resulting in improved decision making. Following the retirement of Stewart Cohen in August 2025, both the board's female and ACI representation increased, but are however still below the group's voluntary targets of 40% female and 50% ACI representation. The board is looking to supplement its skills, ensure long-term succession 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.



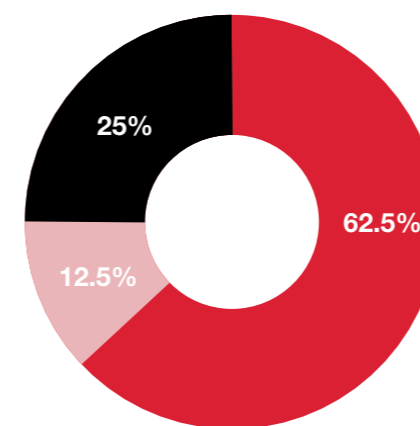
## BOARD SKILLS

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

### Weighted board skills (a percentage of total skills available)



## TENURE



### Non-executive director tenure

- 0 - 5 years
- 6 - 10 years
- 16 years plus

Average tenure 2026 **5.2 years** 2025 **8.3 years**

### KEY CHANGES

The board has always been transparent that it values its 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 skills within the board. As reported in the prior period, co-founder and long-standing director Stewart Cohen retired by rotation in August 2025. The group's long-standing NED, Nigel Payne, continues to provide meaningful contributions with his experience, skills and leadership. It was indicated last year that Nigel Payne intends to retire in 2028 and is serving his last term as chair. More information on the independence of Nigel can be found under director independence (page 168).

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 the last three years, long-serving directors Keith Getz, Daisy Naidoo and Stewart Cohen retired by rotation, with average non-executive director tenure reducing to 5.2 years, indicating a balance of tenure.

## RETIREMENT BY ROTATION

As per the Mol, 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, balance of board skills. The outcomes of the fit and proper assessments conducted as required per the listings requirements and based on the guidance issued by the Institute of Directors South Africa, taking into account (i) legal eligibility and integrity, (ii) financial soundness, (iii) reputation and conduct, and (iv) authenticity of qualifications and professional standing were considered as part of the recommendation. Neill Abrams, Jane Canny and Lucia Swartz are due to retire by rotation at the 2026 AGM.

As recommended by Remnomco and having considered the retiring directors' capacity based on their other directorships and commitments, the board fully supports the re-election of Neill, Jane and Lucia as non-executive directors.

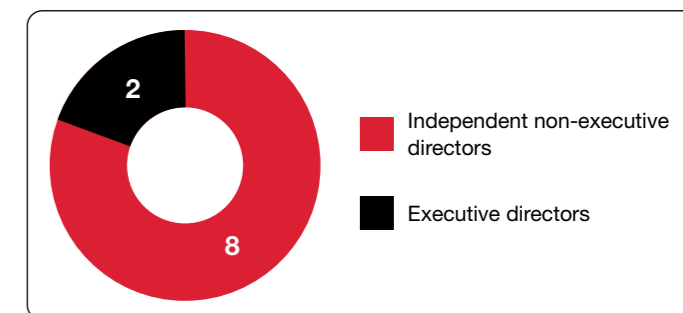
## FEES

NED fees and executive remuneration is disclosed in the **Remuneration report** on pages 203 - 222 respectively. In FY2026, the group did not conduct an NED fee benchmarking exercise, however, the proposed increases are in line with the group's remuneration policy to remunerate non-executive director roles in line with the market median of the comparator group. The proposed increases result in an overall 4.5% average increase. These proposed FY2027 NED fee increases for shareholder approval can be found in the **Remuneration report** on page 203 and in the notice on page 11.



## DIRECTOR INDEPENDENCE

The board retains its view that while the director tenure is only one of the factors to take into account when considering independence, it is not the only one (see tenure on page 168). Each year, facilitated by the LID on behalf of the board, 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, the nature of relationship with the group, length of service as a NED, length of overlap between the CEO and CFO, and individual conduct.



To protect 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™.

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 should be carried out to determine whether a longstanding 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 (a 10-year tenure) or an extra rotation (12 years) is acceptable to consider a NED independent, after which they automatically become 'not independent'. The group also notes the policy position of various investors and proxy houses that appropriate director tenure is linked to the point at which a director is automatically deemed to no longer be independent. 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. However, independence is not a 'tick-box' exercise but rather a complex assessment, including both objective and subjective considerations.

Long-standing chairman, Nigel continues to provide valuable insight with his extensive business knowledge. His continued tenure on the board and his extensive 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 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 seven years, and with Praneel Nundkumar as CFO is going on three 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, 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. As reported last year and in the context of Stewart Cohen's retirement, Nigel was re-elected in 2025 for a final term as chair and intends to retire by rotation in 2028. This enables 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.

The Board is further satisfied, following the outcomes of the independence assessment conducted, that Neill Abrams, taking into account his relationship to Stewart Cohen, exercises objective judgement. 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 he is thus classified as independent. Neill previously held the position of executive director and general counsel at UK-based Ocado Group PLC until his recent retirement and holds legal qualifications, providing valuable insight with his extensive international retail, ecommerce, governance and legal experience.

## BOARD CHAIR

The board considers its chair, Nigel Payne, to be independent (see page 166) based on the group's approach to tenure and independence and the outcome of the 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.

## 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. In the context of the NKD transaction process during the course of the year, directors, as well as the senior management and associates involved in the deal, were considered 'insiders' and were restricted from any form of dealings for an extended period.

## CONFLICTS OF INTEREST

Directors are obliged to avoid conflicts of interest, both actual and potential, and to 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 and any 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 commitments, the director discusses with the chair as to 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. 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. During the reporting period, the board held six additional meetings at regular intervals during the deal process to assess, debate, deliberate and approve the acquisition of NKD. The committees meet formally three times a year and on an ad hoc basis if needed. In addition, ACC, Remnomco, SETS and RITC held short committee sessions during the March board meeting to address specific agenda items before financial year-end. A separate corporate governance meeting was held in March to address governance matters, taking into account the simplified listing requirements and King V™, both of which were released during the period. This ensured sufficient time was available during other meetings to focus on matters of strategic importance. Directors' attendance at the board and committee meetings 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, and the meeting recording is shared if the nature of the discussion warrants additional detail over and above what is recorded 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

	Name	Board	AGM	Special Corporate Governance	ACC	Remnomco*	RITC*	SETS*	Overall Attendance <sup>3</sup>	Extraordinary Board Meetings <sup>1</sup>
Executive	Mark Blair	4/4	1/1	1/1			3/4	3/4	86%	6/6
	Praneel Nundkumar	4/4	1/1	1/1			3/4		90%	6/6
Non-Executive	Stewart Cohen <sup>2</sup>	2/2	1/1						100%	
Independent non-executive	Nigel Payne	4/4	1/1	1/1		4/4	4/4		100%	6/6
	Mark Bowman	4/4	1/1	1/1	4/4	4/4			100%	4/6
	Harish Ramsumer	4/4	1/1	1/1	4/4		4/4		100%	5/6
	Jane Canny	4/4	1/1	1/1			4/4	4/4	100%	5/6
	Lucia Swartz	4/4	1/1	1/1		4/4		4/4	100%	3/6
	Neill Abrams	4/4	1/1	1/1			4/4		100%	5/6
	Refilwe Nkabinde	4/4	1/1	1/1	4/4				100%	3/6
	Richard Inskip	4/4	1/1	1/1		4/4			100%	5/6

NUMBER OF BOARD AND COMMITTEE MEETINGS FOR THE REPORTING PERIOD: 97.8% ATTENDANCE<sup>3</sup>

Key: ■ Chair ■ Member

1 Extraordinary board meetings as part of the NKD group transaction process

2 Retired by rotation 27 August 2025

3 Excluding extraordinary board meetings

\*Executive committee members, relevant senior management, as well as external and internal auditors are permanent invitees to relevant committee meetings (as per the committee mandates located on the group's website [www.mrpricegroup.com](http://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 and 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, each director, each of the committees and the respective members and chairmen are conducted every other year with improvements formally documented and monitored until the next full 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™, an independent assessor, The Board Practice conducted assessments late 2024 and comprehensive written and verbal feedback on the performance of the board, the committees and individual directors was provided. The steps for improvement documents and progress are tabled biannually at the respective board and committee meetings until the next assessment is conducted, which is scheduled for late 2026. As reported in the prior reporting report, the Board Practice confirmed 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 considering feedback from (i) the board and the board chair, in the case of the CEO, and (ii) the ACC review in the case of the CFO. Remnomco and the board are satisfied with the performance of both executive directors (see [pages 205 - 222](#) 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. To ensure continuity, long-term succession and bolster the board's skills, specifically ACC, during the reporting period the board's focus was on board succession planning actions, including board chair succession considerations. 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.

## DELEGATION TO MANAGEMENT

Authority to implement and execute approved strategy is sequentially devolved as depicted in the governance framework on [pages 161 and 162](#), 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 improvement, the formal delegation document and governance framework were updated during FY2026.

## 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 FY2026 reporting period was formally reviewed in June 2026 in compliance with paragraph 5.7(f) 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.



# AUDIT AND COMPLIANCE COMMITTEE

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## CHAIR

Harish Ramsumer

## MEMBERS

Mark Bowman, Refilwe Nkabinde

## ROLE

The audit and compliance committee performs its 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 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](http://www.mrpricegroup.com). The committee members, their qualifications and experience, the number of meetings held and attendance at meetings are detailed on [pages 157 to 158](#) and [170](#) of the [Governance report](#) respectively.

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:

- 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 and related assurance mechanisms

## KEY FOCUS AREAS | FY2026

- Assessing the effectiveness of the group's combined assurance model
- Assessing the suitability and performance of the external auditors and audit partner
- Assessing the suitability and performance of the internal auditor
- Overseeing ongoing regulatory, tax, legal, compliance and credit matters
- Considering the findings of the JSE proactive monitoring reports and reviewing management's response to the findings
- Reviewing finance function expertise and assessing suitability of experience and expertise of the 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
- Overseeing and approving the introduction of term loan facilities for working capital requirements and to partially fund the acquisition of the purchase price of NKD Group GmbH
- Overseeing and approving the hedging of the foreign currency exchange risk in relation to the acquisition of NKD Group GmbH

## COMMITTEE STATEMENT

The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2026 financial year, including duties in terms of the Companies Act, JSE LR and King IV™. The independent performance assessment is conducted every two years. The Board Practice in FY2025 concluded that the committee is a key support structure of the board and is highly effective in fulfilling and delivering value on its responsibilities and mandate. The next performance assessment will be conducted in FY2027. 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.

During the financial year, the committee was informed of a suspected non-compliance with laws and regulations (NOCLAR) matter. A third party service provider was appointed to investigate and concluded with no findings relating to the complaint. The committee was not required to deal with any further 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 engages regularly with the group's management team to discuss relevant matters. The group's internal and external auditors engage directly with the committee to discuss any matter deemed relevant to the fulfillment of the committee's responsibilities.

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

Mark Bowman

## MEMBERS

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 and value-retailing model. In addition, the committee is responsible for ensuring that remuneration processes are consistent and aligned, thus ensuring that 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 in the **Governance report** on **pages 157 - 158** and **169 - 170**.

**Considering the effective date of the Companies Act (as amended), the committee's remuneration report is structured as follows:**

- Part 1: Background statement **pages 187 - 194**
- Part 2: Remuneration policy for Executive Directors **pages 195 - 204**
- Part 3: Remuneration implementation report **pages 205 - 222**
- Part 4: Remuneration policy for all associates (supplementary section, not subject to a shareholder vote) **pages 223 - 226**

## Key focus areas | FY2026

### EXECUTIVE REMUNERATION

- Approval of total packages for executive directors, including STI and LTI vesting and new awards
- Approval of changes to STI structure and performance condition weighting
- Approval of LTI awards and measures for LTI awards
- Review and approval of STI and LTI outcomes for the period ending 28 March 2026
- Approval of reduction of the non-financial measures for LTIs awarded in November 2025, measures reduced from 10 to 8 for greater focus
- Benchmarking of CEO remuneration

### ASSOCIATE REMUNERATION

- Approval of annual increase percentage for general group associates
- Approval of STI structures to align to group strategy
- Monitoring and alignment of the Paterson job evaluation system across the group (including acquisitions)
- Overseeing the fair and responsible pay analysis across the business to identify unjustified anomalies, if any, within the group's remuneration structures, and assessed the outcomes
- Monitored enhancements to employee value propositions with continued and additional wellbeing support for associates

### OTHER ACTIVITIES

- Ongoing assessment of the effectiveness of the board
- Overseeing the continued review and enhancement of the group's wellbeing support offerings to all associates
- Assessing the outcome of the executive wellbeing programme initiated in partnership with Discovery
- Enhanced focus on board and executive leadership succession planning and organisational design
- Guiding leadership succession planning for middle to top management levels
- Overseeing emphasis on retention of key talent, critical and scarce skills
- Approving plans to harmonise store incentive structures across the group and overseeing the implementation

## Future focus areas

- LTI 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
- Close monitoring of the MSR
- Incorporating NKD into the STI and LTI measures and targets for executive directors for the 2027 financial year

- Monitoring wage gap analyses and progress made on a year-on-year basis

- Develop the group's (internal) pay scales to ensure fair pay principles that address the pay of all associates in a fair and responsible manner
- Monitor executive leadership succession planning
- Continued monitoring of the composition of the board to ensure it remains fit for purpose through deliberate identification and addition of board skills and diversity
- Progressing succession activities in respect of board chair succession and LID (Lead Independent Director) succession and supplementing the composition of the board to ensure it continues to be fit-for-purpose

## COMMITTEE STATEMENT

The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2026 financial year, including duties in terms of the Companies Act (amended and effective 22 May 2026), JSE Listings Requirements and King IV™. The independent performance assessment is conducted every two years. The Board Practice in FY2025 concluded that the committee is a key support structure of the board and is highly effective in fulfilling and delivering value on its responsibilities and mandate. The next performance assessment will be conducted in FY2027. The committee chair will be available at the AGM to answer any questions relating to the committee's statutory obligations.



# RISK AND IT COMMITTEE

## CHAIR

Nigel Payne

## MEMBERS

Jane Canny, Harish Ramsumer, Mark Blair, Praneel Nundkumar, Neill Abrams

## ROLE

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

The committee is responsible for assisting the board in its oversight of risk, reviewing the group's risk appetite and risk profile in relation to strategy, reviewing the effectiveness of the group's risk management framework and the methodology used in determining the group's risk profile and respective responses. The committee's responsibility is to ensure that risks and opportunities are considered and managed in a manner that influences and fulfils the setting and achievement of the group's strategy (detailed in the enterprise risk management section on pages 117 to 125 and material matters section on pages 127 to 131 of the **Integrated report**). The committee members, their qualifications and experience, the number of meetings held and attendance at meetings is detailed on pages 157 - 158 and 170. 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 | FY2026

- Overseeing the group's response to impacts of the US-Iran conflict
- Providing governance and oversight of risk considerations throughout the acquisition process of NKD group
- Continued monitoring of and ensuring timely insurance renewals
- Overseeing the integration of enterprise risk management (ERM) and the group strategy
- Continued monitoring to achieve a more integrated, proactive and continuous ERM
- 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 emphasis placed on cyber security and risk management through enhancing enterprise security operations, strengthening governance and assurance, and improving visibility of technology and information security risks
- Continued progression of the strategic programmes linked to the group's business and customer strategies, with a particular focus on customer-facing initiatives, data and reporting capabilities, and core platform modernisation
- Guiding continued investment in automation capabilities to facilitate increased focus of associates on value-adding activities and reducing manual, repetitive workloads

## FUTURE FOCUS AREAS

- 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
- Supporting resilience and crisis management
- Continued monitoring of risk appetite and tolerances
- Selective exploration of capabilities in advanced data analytics, machine learning, natural language processing, and AI to enhance customer experience, personalisation, product recommendations, pricing and forecasting
- Overseeing 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
- Overseeing the introduction of additional 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 group's technology governance framework provides clear decision rights, consistent oversight and transparent reporting across the Technology and Advance Centres of Excellence. It supports board assurance by monitoring delivery and operational performance, managing investment and resource trade-offs, and ensuring that material technology risks, compliance obligations and key metrics are actively managed and escalated to the RITC where appropriate. The aforementioned are supported and achieved through the following:

- 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 practices 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 KPIs and budget, 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 2026 financial year. The independent performance assessment is conducted every two years. The Board Practice in FY2025 concluded that the committee is a key support structure of the board and is highly effective in fulfilling and delivering value on its responsibilities and mandate. The next performance assessment will be conducted in FY2027. 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

Lucia Swartz

## MEMBERS

Mark Blair, Jane Canny

## 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 Companies Act, 71 of 2008 (Companies 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](http://www.mrpricegroup.com).

The committee members, their qualifications and experience, the number of meetings held and attendance at meetings is detailed in the **Governance report** on pages 157 - 158 and 170 respectively. The committee is responsible for fulfilling the functions set out in the Companies 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 **page 7** of this 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 short-term incentives (STIs) and long-term incentives (LTIs).

Further information on the ESG scorecard applicable to the LTIs can be found on **page 18** of this report and in the **Remuneration report** on **page 214**.

## KEY FOCUS AREAS FY2026

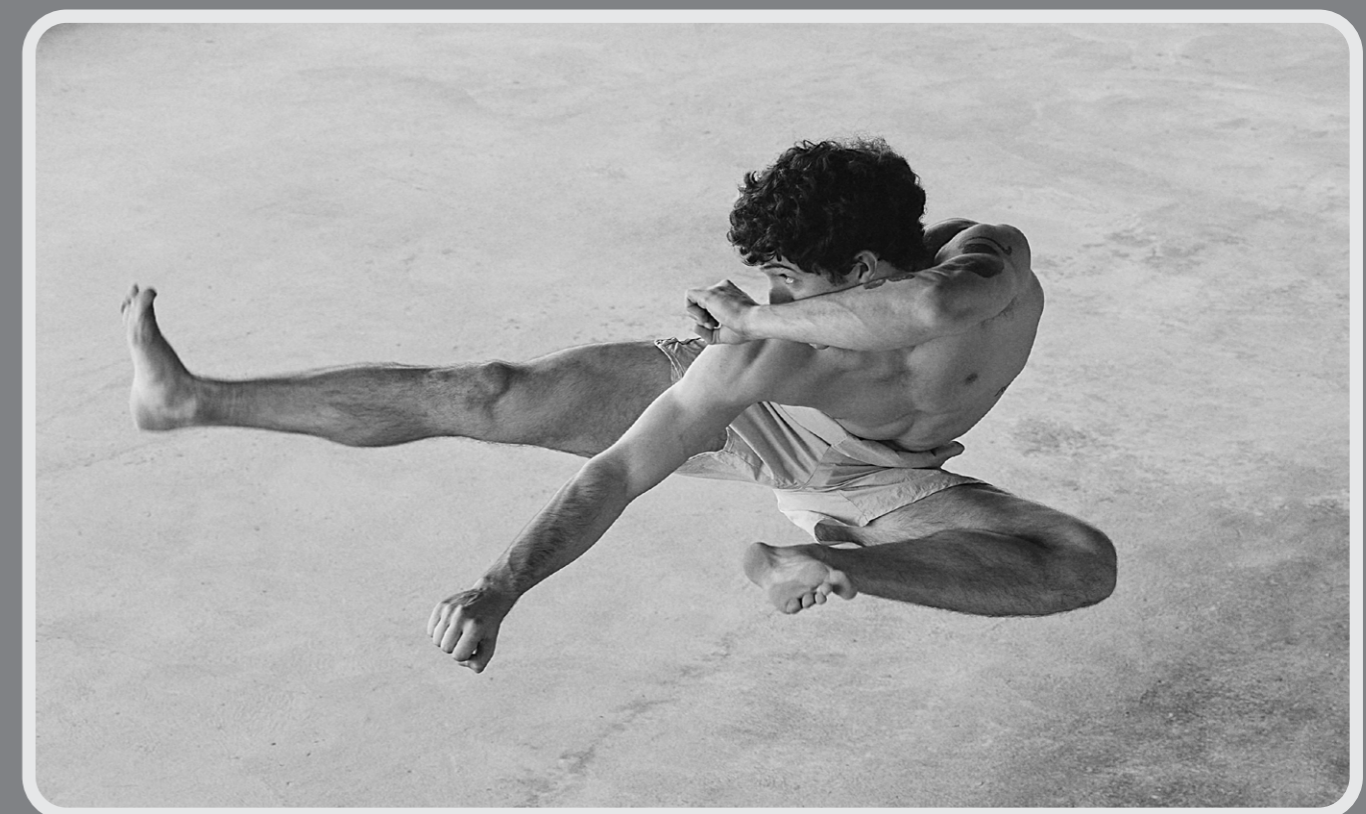
- Integration of Studio 88 into the group’s B-BBEE scorecard
- Strengthening the group’s transformation strategy particularly the approval of the group’s 5-year EE plan for the period 2026 - 2030
- Monitoring the implementation of Mr Price Foundation’s strategy
- Continued monitoring of the group’s organisational health index, including the results of its associate engagement survey and mid-year pulse survey
- Development of talent retention strategy
- Overseeing and monitoring the management, investigation and resolution of complaints reported through the group’s FairCall whistleblowing function
- Monitoring business and reputational risk regarding Newcastle factory compliance and overseeing appropriate management response
- Approving and recommending to Remnomco the ESG scorecard applicable to LTI awards made during the financial year
- Monitoring progress against key performance indicators (KPIs) and targets to support the sustainability strategy

## FUTURE FOCUS AREAS

- Monitor progress against the group’s 5-year EE plan
- Overseeing the implementation of actions to further mature the group’s social responsibility programme and reduce value chain risk
- Approval of the Climate Change Action Plan
- Continued monitoring of the group’s organisational health index
- Sustained oversight of organisational readiness, including adoption and assurance alignment, for ISSB’s IFRS S1 and IFRS S2 standards
- Continued social compliance progression to target major health and fire safety non-compliances

## COMMITTEE STATEMENT

The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2026 financial year, including duties in terms of the Companies Act, JSE Listings Requirements and King IV™. The independent performance assessment is conducted every two years. The Board Practice in FY2025 concluded that the committee is a key support structure of the board and is highly effective in fulfilling and delivering value on its responsibilities and mandate. The next performance assessment will be conducted in FY2027. 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/kpmgfaircallreport/ 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