

KING IV™ REPORT PRINCIPLES

SECTION 1 | APPLICATION OF THE PRINCIPLES

The King IV™ Report is a set of principles and outcomes that are applied by 4Sight. It requires the application and explanation of all 17 principles. Therefore, the Company is expected to explain how it applies these principles. In accordance with the King IV™ Report, the following table provides a brief summary and guidance on how the Group applies the 17 principles:

Principle	Description	Arrangements, achievements, measurements and future focus areas
1	The governing body should lead ethically and effectively.	The Board is composed of members who adhere to ethical and effective leadership by upholding the values of integrity and fairness, guided by the Group's code of ethics. At each board and committee meeting, directors declare and review their interests. The Board possesses the necessary competencies to guide the strategic direction of the Group. A yearly formal review of the Directors' performance is conducted, with outcomes discussed and acted upon by relevant parties
2	The governing body should govern the ethics of the Group in a way that supports the ethical culture of the Group.	The Social and Ethics Committee is responsible for ensuring that the Group's code of ethics reflects its core values. The Board periodically reviews and endorses the code of ethics, and has delegated responsibility for its implementation and enforcement to management.
3	The governing body should ensure that the Group is and is seen to be a responsible corporate citizen.	As part of its strategic decision-making process, the Board considers various factors that affect the sustainability of the business, including the impact on human capital, the economy, society, and the environment. The Board ensures that the Group complies with all relevant laws and regulations to maintain its reputation as a responsible corporate citizen. The Social and Ethics Committee oversees the Group's corporate citizenship and manages social development expenditure for the year, making recommendations to the Board and/or management, where necessary.



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4	The governing body must ensure that the Group's core purpose, its risks and strategy are all inseparable elements of the value-creation process.	The Board determines the Group's core purpose, which is achieved through the implementation of its strategy. The Board recognises the correlation between the Group's core purpose, its risks, and its strategy. The executive directors hold various meetings during the year to discuss and deliberate on the Group's strategy. The Board performs a continual evaluation of the Group's strategy, taking into account both financial and non-financial indicators.
5	The governing body should ensure that reports issued by the Group enable stakeholders to make informed assessments of the Group's performance and its short, medium and long-term prospects.	<p>The Board acknowledges its responsibility for the Group's Annual Financial Statements and Integrated Report, which are supported by internal and external controls. All external reports are approved by the Board before publication. The Group's Integrated Report aims to provide stakeholders with information on the Group's strategy, governance, performance, and prospects over the short, medium, and long term. The Group makes the Integrated Report available to all stakeholders, which includes:</p> <ul style="list-style-type: none"> • Statement of Responsibility by the Board of Directors; • Chief Executive Officer and Financial Director Responsibility Statement; • Chairperson's Report; • CEO's Report; • Business Overview; • Corporate Governance Report and compliance to the 17 principles of the King IV™ Report; • Social and Ethics Committee Report; • Audit and Risk Committee Report; • Audited Consolidated Annual Financial Statements; • Independent Auditor's Report



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6	The governing body should serve as the focal point and custodian of corporate governance on the Group.	<p>The Board bears ultimate responsibility for corporate governance in the Group, as outlined in its regularly reviewed terms of reference. The Board adopts a structured approach to governance. Board meetings are held at least four times annually, and attendance and contribution are consistently excellent.</p> <p>While the Board bears ultimate responsibility for corporate governance in the Group, as outlined in its regularly reviewed terms of reference and adopts a structured approach to governance (regular Board meetings, held at least four times annually, provide a crucial platform for effective oversight and decision-making. The Board's attendance and contribution are consistently excellent), it is important to note that Board Committees play a critical role in supporting the Board in fulfilling its duties.</p> <p>To ensure effective oversight and decision-making, the Board established Committees with clear mandates and objectives that align with the Group's strategic goals. These Committees comprise of independent and knowledgeable members with the necessary skills and expertise to provide valuable insights and recommendations to the Board.</p> <p>Regular meetings of Board Committees are held to review and assess matters within their respective scopes, and to make recommendations to the Board for approval or action.</p> <p>The Group demonstrates a strong commitment to sound corporate governance practices that promote accountability, transparency, and ethical conduct at all levels of the organisation.</p>

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7	The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.	<p>The Board consists of eight directors, of whom six are independent non-executive directors and two are executive directors. Each director brings a unique set of skills and experience to the Board meetings. The directors are qualified and capable of fulfilling their responsibilities effectively. Brief summaries of the directors' qualifications, experience, capacity, and membership can be found on pages [insert page number XX] to [insert page number XX]. Although the King IV™ Report recommends that a majority of Social and Ethics Committee members should be non-executive members, the Committee has an equal number of executive and non-executive directors. For the year under review, the Committee was chaired by Marichen Mortimer, an independent non-executive director. The Board is confident that the Social and Ethics Committee, as a statutory body, has the appropriate mix of knowledge, skills, experience, diversity, and independence to carry out its governance role and responsibilities objectively and efficiently.</p>
8	The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with the balance of power and the effective discharge of its duties.	<p>The Board delegates specific roles and responsibilities to directors and Committees in a balanced manner to avoid any one member dominating decision-making. The separation of the roles of the Chief Executive Officer and Chairperson ensures a balance of power and effective discharge of duties. However, delegation does not reduce the Board's accountability.</p> <p>The Board has established three Committees:</p> <ul style="list-style-type: none"> • Audit and Risk Committee • Remuneration and Nominations Committee • Social and Ethics Committee <p>Each comprising of a suitable mix of directors with formal terms of reference documenting their roles and responsibilities. The Board conducts annual reviews of each committee's term of reference. The Board also documents and approves the roles and responsibilities delegated to the Chief Executive Officer and Financial Director in a formal delegation of authority framework.</p>



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9	The governing body should ensure that the evaluation of its own performance and that of its Committees, its Chairperson and its individual members, support continued improvement in its performance and effectiveness.	The Board and its committees undergo an annual self-evaluation process to assess their performance, including that of the Chairperson. The Remuneration and Nominations Committee reviews and presents the results to the Board for consideration.
10	The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.	The Board, with the Remuneration and Nominations Committee, nominates and appoints the Chief Executive Officer, who reports to the Board on a quarterly basis about the implementation of the Group's strategy, policies, and major business developments. The Chief Executive Officer oversees delegated functions, and undergoes an annual performance evaluation. Tertius Zitzke is appointed as Chief Executive Officer and Eric van der Merwe as Financial Director, with ongoing succession planning. The Company Secretary provides governance services and reports to the Board on statutory, regulatory, and governance matters, and to the Financial Director on administrative duties. The Board evaluates the Secretary's performance and independence annually and deems the appointment appropriate.
11	The governing body should govern risk in a way that supports the Group in setting and achieving its strategic objectives.	The responsibility of monitoring risk in the Group and ensuring an effective risk management policy and plan is entrusted to the Audit and Risk Committee. The Committee ensures that management identifies potential risks that may affect the Company or its operations, which is crucial in achieving strategic objectives.





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12	The governing body should govern technology and information in a way that supports the Group setting and achieving its strategic objectives.	The board recognises the importance of Information Technology (IT) in the Group's strategy and the Audit and Risk Committee is responsible for overseeing the governance of technology and information. The Group has an IT policy in place to ensure ethical and responsible use of technology and information. Management approves major IT investments after considering costs and risks.
13	The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the Group being ethical and a good corporate citizen.	Java Capital is the Group's appointed Sponsor and provides guidance to the Board on adherence to the JSE Listings Requirements. The Group has not been subjected to any regulatory penalties, sanctions, or fines by the JSE Limited, nor have any of its directors been subjected to such penalties. In addition to Java Capital, the Group consults its legal team, Company Secretary, and external auditors to ensure compliance with all applicable laws and regulations
14	The governing body should ensure that the Group remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	The Remuneration and Nominations Committee is accountable for establishing remuneration policies that are in line with the Group's strategy. The objective of remuneration is to compensate staff for their contributions towards the long-term operational and financial performance of the Group. The Group's approach to remuneration, including policy and implementation, is explained in the Corporate Governance Report. The overarching aim is to ensure that employee remuneration is competitive, and that the Group attracts, motivates, and retains individuals of the appropriate skills and experience.



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15	The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the Group's external reports.	The Board utilises internal and external assurance providers to facilitate an effective control environment. The Audit and Risk Committee oversees the assurance services within the Group. The Annual Financial Statements included in the 2022 Integrated Report were independently audited by Nexia SAB&T. Given the size of the Group, there is no separate internal audit function. The Integrated Report provides information on the Group's business performance, risks, opportunities, and prospects. The Audit and Risk Committee is content that qualified personnel enforce, maintain and supervise control systems and procedures with appropriate segregation of authority, responsibilities, and reporting lines.
16	In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	The Board is responsible for developing policies that recognise the impact of stakeholders' perceptions on the Group's reputation. The Social and Ethics Committee oversees the Group's activities related to social and economic development, corporate citizenship, environment, health and safety, stakeholder relationships, employment, and monitors the Company's sustainability and governance performance.

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17	The governing body of an institutional investor organisation should ensure that responsible investment is practised by the organisation to promote the good governance and the creation of value by the companies in which it invests.	Principle 17 does not apply to 4Sight.

