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King IV Report 2026

July 2026
Application of the King IV Code Principles

The Board applies high standards of corporate governance in accordance with the Companies Act, the JSE Listings Requirements and the King Report on Corporate Governance™ for South Africa, 2016 ("**King IV**").

The Board is satisfied that the Group applied the principles and recommended practices of King IV throughout FY26 and that its governance practices continue to support the achievement of the governance outcomes of an ethical culture, good performance, effective control and legitimacy. This King IV Application Register sets out how the Group gave effect to the King IV principles during the year.

In preparation for the adoption of King V in FY27, the Board is reviewing the Group's governance frameworks, policies and practices to ensure alignment with the updated principles and continued adherence to governance best practice.

Principle 1: Leadership **The Board should lead ethically and effectively**	The Board is accountable for ethical and effective leadership and gives effect to this responsibility through the Board Charter, each of the Board Committee Terms of Reference, the Group's Code of Ethics and all related governance policies. The Nominations and Corporate Governance Committee ("NomGov") supports the Board by overseeing Board composition, succession planning and governance matters, including recommending candidates for appointment to the Board to ensure an appropriate balance of skills, experience, diversity and independence, while considering the personal attributes of potential candidates, including integrity, independence of mind and alignment with the Group's long-standing values. Ethical and effective leadership is assessed through annual evaluations of the Board, its committees and individual directors. Internal evaluations are conducted annually and supplemented by periodic independent external evaluations, the most recent of which was undertaken in FY24, followed by an independent culture assessment in FY25. Further information in respect of Board leadership is provided in the Corporate Governance chapter of the FY26 Integrated Annual Report ("**IAR**") on page 66.
Principle 2: Organisational ethics **The Board should govern the ethics of the Group in a way that supports the establishment of an ethical culture**	The Group promotes and supports an ethical culture through its Code of Ethics and related policies, including those governing anti-bribery and corruption, conflicts of interest, whistleblowing and insider trading. These standards apply to directors and employees and, where applicable, are extended to suppliers and service providers through contractual arrangements. The Social, Ethics and Transformation Committee ("**SETC**") oversees organisational ethics and monitors the effectiveness of the Group's ethics programme, including ethics reporting, conflicts of interest declarations and whistleblowing mechanisms. An independently administered anonymous tip-off line enables employees and external stakeholders to report actual or suspected unethical conduct, with matters reported to and monitored through the appropriate governance structures. The Group Executive and senior management are responsible for embedding the Group's values and ethical standards throughout the organisation and fostering a culture of integrity, accountability and ethical conduct. Further information is provided in the Governance Chapter and the SETC Report of the FY26 IAR on pages 66 and 114 respectively.

## Principle 3: Responsible corporate citizenship **The Board should ensure that the Group is and is seen to be a responsible corporate citizen**	The Board oversees the Group's responsible corporate citizenship strategy and performance, with a focus on creating long-term value for stakeholders while managing the Group's social, environmental and economic impacts. Progress against key ESG targets and commitments, including employee training and development, transformation and inclusion initiatives, food waste, packaging, water and energy consumption, and carbon emissions, is regularly monitored. The SETC oversees the Group's responsible corporate citizenship commitments and monitors the implementation of the Group's ESG Framework, which is focused on four key areas: Investing in our people; Supporting our communities; Promoting sustainable supply chains and Reducing environmental impacts. Through its ESG Framework and related initiatives, the Group seeks to create positive and sustainable outcomes for its people, communities, the environment and other stakeholders, while supporting the long-term sustainability and resilience of the Pick n Pay business. Further information is provided in the Sustainability Chapter and the SETC Report of the FY26 IAR on pages 46 and 114, respectively.
## Principle 4: Strategy and performance **The Board should appreciate that the Group's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process**	The Board adopts an integrated approach to strategy, risk, opportunities and performance, recognising the interdependence of these factors in the Group's ability to create long-term value. In overseeing the Group's strategy, the Board considers the interests of stakeholders, the operating environment and the material matters that may impact the Group's resilience and future performance. The Board is responsible for reviewing and approving the Group's strategy and business plans and monitoring performance against strategic objectives and key performance indicators. Progress against strategic priorities is regularly reviewed to ensure that the Group remains responsive to changes in the operating environment and positioned to create sustainable long-term value. With the support of the Group Audit, Risk and Compliance Committee ("**GARCC**"), the Board identifies and assesses material risks and opportunities that may impact the Group's strategy, performance and long-term prospects. This enables the Board to test the resilience of the Group's strategy, assess its continued relevance in a changing environment and determine whether any strategic adjustments are required. Further information is provided in the FY26 IAR, including Our business model (page 16); The environment we operate in (page 23); Managing our risks and opportunities (page 25); Stakeholder engagement (page 34); Progressing our strategy (page 42); our Board Chair's report (page 67); and the GARCC Report (page 82).
## Principle 5: Reporting **The Board should ensure that reports issued by the Company enable stakeholders to make informed assessments of the Company's performance and its short-, medium- and long-term prospects**	The Group is committed to transparent, balanced and credible reporting that enables stakeholders to make informed assessments of the Group's performance, governance, strategy and prospects. Through its suite of reports, SENS announcements and other stakeholder communications, the Group provides a holistic view of its ability to create value over the short, medium and long term. The GARCC oversees the integrity of the Group's external reporting and the processes supporting the preparation of the Annual Financial Statements (**AFS**), IAR and related governance disclosures. The GARCC also considers the effectiveness of assurance activities and the quality and reliability of information disclosed to stakeholders. The Group's reporting is prepared in accordance with applicable legal and regulatory requirements and relevant reporting frameworks and standards, including IFRS Accounting Standards, the International Integrated Reporting Framework and the GRI Standards. Combined assurance over the AFS is provided through the combined efforts of management, internal assurance providers and the external auditor. The Board reviews and approves the AFS and the IAR and is satisfied that they present an accurate, balanced and understandable assessment of the Group's position, performance and prospects. Further information, including the Group's AFS, IAR, corporate governance disclosures and market announcements, is available on the Pick n Pay investor website at www.picknpayinvestor.co.za.

Principle 6: Primary role and responsibilities of the Board

The Board should serve as the focal point and custodian of corporate governance in the Company

The Board is the governing body and focal point of corporate governance for the Company and is ultimately accountable for the Group's performance, governance and long-term sustainability. In fulfilling this role, the Board oversees the Group's strategy, performance, risk management, governance, compliance and stakeholder relationships.

The Board's responsibilities are set out in the Board Charter and are supported by clearly defined Board committee Terms of Reference and delegations of authority. While certain responsibilities are delegated to Board committees and management, the Board retains overall accountability for the exercise of its powers and the performance of its duties.

The Board is satisfied that it fulfilled its responsibilities during FY26 in accordance with the Company's Memorandum of Incorporation, the Board Charter, the Companies Act, the JSE Listings Requirements and King IV.

Further information is provided in the Corporate Governance Chapter of the FY26 IAR from page 66.

Principle 7: Composition of the Board

The Board should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively

The Board comprises a majority of non-executive directors, the majority of whom are independent, ensuring an appropriate balance of power, independence, skills, experience and diversity. The Board regularly assesses its composition to ensure that it remains appropriate to support the Group's strategy, governance requirements and long-term sustainability.

The NomGov oversees Board composition, succession planning and director nominations. Appointments are made through a formal and transparent process, with due consideration given to the skills, experience, independence, diversity and demographics required to enhance the effectiveness of the Board. Directors are required to disclose their directorships and commercial interests, with declarations reviewed and updated regularly. The independence of independent non-executive directors is assessed annually, and the Board is satisfied that those directors classified as independent continue to meet the independence requirements of King IV, the Companies Act and the JSE Listings Requirements.

The roles of Chair and Chief Executive Officer (**CEO**) are separate and clearly defined. Effective from the conclusion of the August 2025 Annual General Meeting, James Formby succeeded Gareth Ackerman as Independent Non-Executive Chair of the Board, reflecting the Board's commitment to effective succession planning and governance continuity.

Further information is provided in the FY26 IAR, please refer to the Corporate Governance chapter (from page 66), including our Board of directors (page 76) and our NomGov Chair Report (page 112).

Principle 8: Committees of the Board

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

To support the effective discharge of its duties, the Board has established standing committees with clearly defined roles, responsibilities and delegated authority. These committees assist the Board in providing focused oversight of key governance areas and contribute to the effective execution of the Board's responsibilities.

The Board's standing committees comprise the Group Audit, Risk and Compliance Committee, the Social, Ethics and Transformation Committee, the Remuneration Committee, the Nominations and Corporate Governance Committee and the Finance and Investment Committee. The Board may also establish ad hoc committees from time to time to address specific matters requiring dedicated oversight.

The roles, responsibilities and composition of each committee are set out in Board-approved Terms of Reference, which are reviewed annually to ensure continued relevance and alignment with the Group's governance requirements. While authority is delegated to the committees, the Board retains overall accountability for the exercise of its responsibilities.

Further information is provided in the Corporate Governance Chapter of the FY26 IAR (from page 66) and the individual Board committee reports (from page 82).

Principle 9: Evaluation of the Board

The Board should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness

The Board undertakes evaluations of its performance and effectiveness, as well as that of its committees, Chair and individual directors. These evaluations assess the Board's composition, governance processes, oversight effectiveness, contribution to strategic objectives and alignment with the Group's values and leadership expectations.

Internal evaluations are conducted annually and are supplemented by periodic independent external evaluations. The most recent external Board evaluation was conducted in FY24, followed by an independent Board culture assessment in FY25. The outcomes of these internal and independent assessments are considered by the NomGov and the Board and are used to identify opportunities for continuous improvement in Board effectiveness, composition and succession planning.

The Board is satisfied that the evaluation process continues to support its effectiveness and the discharge of its responsibilities.

Further information is provided in the Corporate Governance chapter of the FY26 IAR from page 66.

Principle 10: Appointment and delegation to management

The Board should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities

The Board has delegated responsibility for the day-to-day management of the Group to the CEO, supported by the Chief Finance Officer (**CFO**), the Group Executive and senior management, within a formal governance and delegation framework. The Group's Delegation of Authority Policy clearly defines decision-making authority and accountability levels across the organisation and supports the effective execution of strategy and operational oversight.

While authority is delegated to management, the Board retains overall accountability for the Group's performance and exercises ongoing oversight through regular reporting, monitoring and engagement with management. The Board is satisfied that the delegation framework promotes role clarity, effective decision-making and accountability throughout the Group.

The Board has appointed a suitably qualified and experienced Company Secretary who provides guidance to the Board on governance matters, regulatory developments and directors' duties and responsibilities. The Board is satisfied that an arm's length relationship exists between the Company Secretary and the Board and has assessed the Company Secretary as having the requisite competence, qualifications and experience to fulfil the role effectively.

Further information is provided in the Corporate Governance chapter of the FY26 IAR from page 66.

Principle 11: Risk governance

The Board should govern risk in a way that supports the Company in setting and achieving its strategic objectives

The Board is ultimately responsible for the governance of risk and oversees a risk management framework that supports the achievement of the Group's strategic objectives, resilience and long-term value creation. Risk governance is integrated into the Group's strategic planning, decision-making and performance management processes.

The GARCC assists the Board in overseeing the effectiveness of the Group's risk management framework and monitoring material risks and opportunities. Together with management, the Board regularly considers existing and emerging risks, opportunities and trends that may impact the Group's strategy, performance, operations or stakeholders.

Responsibility for designing, implementing and maintaining the risk management framework is delegated to management, which is accountable for identifying, assessing, mitigating, monitoring and reporting on risks within the Group's approved risk appetite and tolerance levels.

Further information is provided in the FY26 IAR, including the Managing our risks and opportunities chapter (from page 25) and the GARCC Report (from page 82).

Principle 12: Technology and information governance **The Board should govern technology and information in a way that supports the Company setting and achieving its strategic objectives**	The Board oversees the governance of technology and information to support the achievement of the Group's strategic objectives, operational effectiveness, resilience and long-term value creation. The Board recognises that technology and information are critical enablers of the Group's business model, decision-making processes, risk management and stakeholder engagement. The GARCC assists the Board in overseeing technology and information governance, including the adequacy of related strategies, policies, controls and risk management processes. This oversight includes consideration of information security, cybersecurity, data governance, technology investments and the alignment of technology initiatives with the Group's strategic priorities. Responsibility for implementing and managing the Group's technology and information frameworks is delegated to management, which regularly reports to the GARCC and Board on material technology-related matters, risks and opportunities. The Board is satisfied that the Group's technology and information governance arrangements support the effective and responsible use of technology and information in pursuit of the Group's strategic objectives. Further information is provided in the Corporate Governance chapter of the FY26 IAR on page 66.
Principle 13: Compliance governance **The Board should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the Company being ethical and a good corporate citizen**	The Group maintains an integrated compliance framework to support adherence to applicable laws, regulations, codes and standards and to promote a culture of ethical and responsible conduct. The framework is designed to identify, assess, monitor and manage compliance risks and to support the Group's ability to operate sustainably and responsibly. The GARCC, assisted by the SETC, oversees compliance governance and monitors the effectiveness of the Group's compliance management processes. Responsibility for implementing and maintaining compliance management practices is delegated to management, which provides regular reports to the GARCC on material compliance matters, regulatory developments and emerging compliance risks. The Company Secretary provides guidance to the Board on its statutory, regulatory and governance obligations, while directors receive regular updates on significant legal and regulatory developments relevant to the Group. The Board is satisfied that the Group's compliance framework remains effective and that there were no material or repeated regulatory penalties, sanctions or fines arising from non-compliance with applicable laws or regulations during FY26. Further information is provided in the Corporate Governance chapter of the FY26 IAR on page 66.
Principle 14: Remuneration governance **The Board should ensure that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short-, medium- and long-term**	The Group's remuneration policy is designed to attract, motivate, reward and retain high-calibre talent, while supporting the achievement of the Group's strategic objectives, long-term sustainability and value creation. The remuneration policy promotes fair, responsible and transparent remuneration practices and seeks to align remuneration outcomes with performance, appropriate risk-taking and the interests of stakeholders. The Remuneration Committee (**RemCom**) oversees remuneration governance and is responsible for ensuring that the Group's remuneration policies and practices remain aligned with the Group's strategy, market developments, regulatory requirements and evolving governance expectations. RemCom also oversees the preparation of the annual Remuneration Report to ensure transparent and meaningful disclosure to stakeholders. Independent external advice is obtained where appropriate to support informed decision-making, including in relation to market benchmarking, incentive design and remuneration trends. The RemCom regularly reviews remuneration structures to ensure they support performance, retention and the achievement of strategic objectives. Further information is provided in the Remuneration Report contained in the FY26 IAR from page 90.

Principle 15: Assurance **The Board 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 Company's external reports**	The Board is responsible for ensuring that a combined assurance model is implemented to provide a coordinated and risk-based approach to combined assurance across the Group. The model is designed to optimise assurance activities and provide the Board with confidence in the effectiveness of governance, risk management, compliance and internal control processes. The GARCC oversees the effectiveness of the combined assurance model and regularly reviews assurance activities to ensure that significant risks, material matters and key controls are appropriately addressed. The combined assurance model incorporates assurance provided by management, specialist assurance functions, internal audit and external assurance providers. The internal audit function forms an integral part of the combined assurance framework and provides independent assurance on the adequacy and effectiveness of governance, risk management and internal controls. The Board is satisfied that the Group's combined assurance model remains effective and supports the integrity of reporting, sound decision-making, effective risk management and an appropriate level of assurance over material matters. Further information is provided in the GARCC Report contained in the FY26 IAR from page 82.
Principle 16: Stakeholder relationships **In the execution of its governance role and responsibilities, the Board should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the Company over time**	The Board recognises that the Group's long-term success is dependent on maintaining constructive relationships with its stakeholders and understanding their legitimate interests, needs and expectations. Stakeholder considerations are integrated into the Board's decision-making processes and contribute to the Group's ability to create sustainable long-term value. The SETC oversees the Group's stakeholder engagement approach and monitors stakeholder-related matters, including emerging risks, opportunities and issues that may impact the Group's strategy, reputation or performance. Responsibility for implementing stakeholder engagement activities is delegated to the CEO and management. The Group maintains structured and ongoing engagement with its key stakeholder groups to support transparency, accountability and informed decision-making. Material stakeholder matters are regularly reported to and considered by the Board and its committees as part of the Group's governance and oversight processes. The Board is satisfied that the Group's stakeholder engagement practices support effective stakeholder relationships and contribute to the achievement of the Group's strategic objectives and long-term sustainability. Further information is provided in the FY26 IAR in the chapter "Our approach to stakeholder engagement" from page 34.

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