



METAIR 2023 KING IV REGISTER

Metair Investments Limited (Metair, the company or the group)’s board of directors (board) is committed to the highest standards of governance, ethics and integrity. We remain committed to the application of and adherence to the 16 principles in terms of the King IV Report on Corporate Governance™ for South Africa, 2016 (King IV™) and their associated outcomes. Metair has reviewed its current practices to ensure alignment with the King IV™ recommended practices associated with each principle. This King IV™ register is based on content disclosed in Metair’s 2023 integrated annual report which is available at https://www.metair.co.za/wp-content/uploads/2024/03/Metair-IAR_2023.pdf

Legend	Aligned	Not Aligned
		

King IV™ Principles		Status	Application of Principle	Integrated Annual Report page references
Principle 1	The governing body should lead ethically and effectively.		<p>The board strives to embed an ethical culture which all Metair board members, employees, contractors and suppliers embrace and abide by. Metair’s ethical culture cultivates a value-driven environment where all stakeholders are dedicated to conducting business honestly, fairly, legally and transparently. The Metair values are built on the principle of custodianship. Being a custodian has the embedded notion that Metair has an important role to play in a bigger long-term sustainable plan and that it is not the size of the role that matters but rather how well all stakeholders perform their role.</p> <p>Metair conducts an annual self-evaluation to assess the performance of the board as a whole and its committees to ensure that the group is being led ethically and effectively in line with the board charter. An externally facilitated will be conducted as and when required.</p>	<ul style="list-style-type: none"> • Sustainability - 30 • Ethical culture - 47 • Board performance - 48
Principle 2	The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.		<p>The board strives to embed integrity, fairness, justice, transparency, responsibility and accountability in all of its dealings. The board is the custodian of good corporate governance in the group and aims to remain relevant in the fast and dynamic environment in which the group operates.</p> <p>The code guides Metair to operate with unity, harmony, equality and respect for human dignity. The code aims to guide all stakeholders to act and conduct themselves with integrity. This assists to mitigate unethical conduct, fraud and corruption. The code encourages all employees to be exemplary custodians in their areas of responsibility, wherever they go.</p> <p>The group has values which guide the business’s decisions and all employees at all subsidiaries are encouraged to report any unethical transgressions or conduct without fear of being victimised through the independent anonymous whistleblowing hotline. Metair also has formal policies to guide donations and gifts, human rights, conflicts of interests, fair and responsible remuneration as well as dealings in securities and insider trading.</p>	<ul style="list-style-type: none"> • Our core values - 3 • Metair governance philosophy and framework - 45 • Ethical culture - 47 • Code of ethics - 47
Principle 3	The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.		<p>The board, supported by the social and ethics committee management, recognises the group’s social and moral commitments to society. Metair’s approach to CSR is based on the concept of custodianship and it is reinforced by the code, which entrenches the group’s corporate citizenship and ethical leadership policies.</p> <p>The board is committed to responsible corporate citizenship. The group contributes to the attainment of the UN Sustainable Development Goals (SDGs). The group is involved in a number of corporate social investment projects.</p>	<ul style="list-style-type: none"> • Corporate social responsibility (CSR) - 48
Principle 4	The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all		<p>Metair’s delegation of authority framework reinforces the board’s role as the primary custodian of corporate governance and ensures that the group is effectively governed. The framework enables the achievement of the four governance outcomes of an ethical culture, good performance, effective control and legitimacy.</p> <p>The board steers and sets the group’s strategic direction. It oversees the group’s strategy formulation, risk management, stakeholder engagement, budget and policy approvals as well as Metair’s materiality determination processes.</p>	<ul style="list-style-type: none"> • Metair governance philosophy and framework - 45 • Delegation of authority and governance framework - 47

King IV™ Principles		Status	Application of Principle	Integrated Annual Report page references
	inseparable elements of the value creation process.			
Principle 5	The governing body should ensure that the reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short, medium and long-term prospects.	☑	<p>The board is accountable Metair's reporting. The Audit and Risk Committee supports the board by ensuring that appropriate financial reporting procedures are implemented and functional to ensure sufficient coverage and completeness of all entities included in the consolidated group International Financial Reporting Standards (IFRS) financial statements.</p> <p>Metair's reporting is in line with the following codes and frameworks:</p> <ul style="list-style-type: none"> • The IFRS Foundation's Integrated Reporting <IR> Framework • The King IV™ Report • International Financial Reporting Standards (IFRS) • The JSE Limited Listings Requirements • The Companies Act, No. 71 of 2008 • The JSE Sustainability Disclosure Guidance <p>Metair produced its first standalone summary Climate Change Report aligned to the recommendations of the Taskforce on Climate related Financial Disclosures (TCFD).</p>	<ul style="list-style-type: none"> • About this report - 2
Principle 6	The governing body should serve as the focal point and custodian of corporate governance in the organisation.	☑	<p>Metair's board is the focal point and primary custodian of good corporate governance in the group. The board steers the company, oversees the company's strategic direction, approves policies and planning that give effect to the direction provided, oversees and monitors the implementation and execution by management, and ensures accountability for the company's performance by means of reporting and disclosure.</p>	<ul style="list-style-type: none"> • Delegation of authority framework - 47
Principle 7	The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.	☑	<p>In terms of the company's memorandum of incorporation, the board shall consist of a minimum of five directors and a maximum of 15 directors, depending on the constitution of the board and all committees. The remuneration and nominations committee oversees the appointment of board members and ensures that the board comprises the requisite diversity by ensuring an appropriate mix of knowledge, skills and experience. The Remuneration and nominations Committee also seeks to ensure that broader diversity with respect to gender, race, age and cultural representation is considered to ensure optimal performance.</p> <p>The diversity of age, culture, gender, knowledge, skills, experience, education and independence of the board ensures that the board is appropriately equipped to navigate Metair's operating context. Wherever possible, Metair aims to ensure that, at least, a third of the board's composition is women. Metair achieved its diversity targets in 2023. The board considered the composition of its gender and racial diversity targets when new directors were appointed during the year and is satisfied that the composition is aligned to the broader diversity policy.</p>	<ul style="list-style-type: none"> • Board charter - 46 • Diversity - 46
Principle 8	The governing body 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 duties.	☑	<p>Metair's board charter effectively ensures that no single person has unfettered decision-making powers. The board operates with a clear division of responsibilities to ensure balance of power and authority. The board is led by an independent non-executive chairperson and has a lead independent director. The leadership structure distinctly separates the roles of the chairperson and the chief executive officer.</p> <p>The board has committees which are guided by their own respective charters. The board also measures the effectiveness of each committee on an annual basis. The following committees are in place to assist the board with discharging its duties:</p> <ul style="list-style-type: none"> • Audit and risk committee • Social and ethics committee • Remuneration and nominations committee 	<ul style="list-style-type: none"> • Leadership - 8 - 9 • Board charter - 46 • Balance of power - 46 • Board independence - 48 • Delegation of authority framework - 47

King IV™ Principles		Status	Application of Principle	Integrated Annual Report page references
			<ul style="list-style-type: none"> Investment committee IT steering committee <p>To ensure the provision of independent judgement, independent board members meet at least once annually, for a non-executive directors' meeting to discuss matters without executive management being present. Non-executive directors can request documentation from or set up meetings with management as required.</p> <p>The board charter clearly stipulates that a non-executive director may not continue to serve in an independent capacity for longer than nine years. In an instance whereby a non-executive director exceeds the nine-year period, he or she will become subject to an annual assessment to prove objectivity.</p>	
Principle 9	The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.	☑	<p>Metair's board and committee members conduct a performance self-evaluation annually. The evaluation of individual directors and the chairperson is conducted every alternate year. The group's lead independent non-executive director conducts the evaluation of the chairperson's performance. The chairperson reviews the chief executive officer's performance against agreed performance measures and targets and the company secretary's performance is also evaluated by the board.</p> <p>Metair provides continuous professional development programmes to ensure that directors receive regular briefings on changes in risks, laws and the business environment.</p>	<ul style="list-style-type: none"> Board evaluations - 48 Committee evaluations - 48
Principle 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.	☑	<p>Metair is committed to effective risk management which supports the group's objectives and the pursuit of value creation for all stakeholders.</p> <p>Risk management is the responsibility of the board with the reporting and monitoring function being delegated to the audit and risk committee. An enterprise-wide risk management policy framework forms part of the audit and risk committee charter which is available on the company's website.</p> <p>Metair's autonomous subsidiary model mandates the subsidiary executive teams to manage their own day-to-day operations. Therefore, the group has a formal governance framework and strategic objectives to guide its subsidiary boards.</p>	<ul style="list-style-type: none"> Group risk management - 55
Principle 11	The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	☑	<p>The board supported by the audit and risk committee is responsible for and committed to effective risk management which supports the group's objectives and the pursuit of value creation for all stakeholders. Risk management is the responsibility of the board with the reporting and monitoring function being delegated to the audit and risk committee and there is an enterprise-wide risk management policy framework which forms part of the audit and risk committee charter.</p> <p>The board has assigned oversight of the risk management function to the audit and risk committee. The committee ensured that appropriate financial reporting procedures exist and are operating, which included consideration of all entities included in the consolidated group IFRS financial statements, to ensure that the committee has access to all the financial information of Metair. This ensures that Metair can effectively prepare and report on the financial statements of the company.</p>	<ul style="list-style-type: none"> Group risk management - 55
Principle 12	The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	☑	<p>Metair aims to establish and achieve accountability, strategic alignment and appropriate risk management to optimise the value we obtain from IT. To support this objective, all subsidiaries formulate their own IT strategies and plans which are subject to approval by their respective boards before being presented to the IT steering committee.</p> <p>The IT steering committee monitors and tracks compliance, the progression of each subsidiary's information and technology systems, status updates, emerging trends and considers insights arising from audits.</p>	<ul style="list-style-type: none"> Technology and information governance - 61

King IV™ Principles		Status	Application of Principle	Integrated Annual Report page references
Principle 13	The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.	☑	The board is committed to ensuring that Metair and its subsidiaries consistently comply with all applicable laws, regulations and governance practices in the jurisdictions within which we operate. The board is supported by the audit and risk committee as well as the social and ethics committee to oversee the group’s compliance function. The company secretary and sponsor assist the board to monitor the group’s compliance with relevant legislation. The board is satisfied that Metair is in compliance with the provisions of the Companies Act or relevant laws of establishment, specifically relating to its incorporation and that Metair is operating in conformity with its MoI and/or relevant constitutional documents.	<ul style="list-style-type: none"> Compliance - 49
Principle 14	The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	☑	<p>The board is supported by the remuneration committee in the governance of all remuneration matters. Metair adheres to all relevant remuneration governance codes and statutes that apply in the various jurisdictions where the group operates. To enable us to deliver shareholder value, Metair is committed to attract and retain the appropriately skilled individuals by ensuring fair, transparent and balanced remuneration.</p> <p>The remuneration committee reviews the remuneration policy of the group annually to ensure its relevance and alignment with shareholders’ interests. The remuneration policy and the implementation report are approved by the board and tabled at the annual general meeting for a non-binding shareholder advisory vote. The remuneration report which is published in the company’s integrated annual report contains a background statement, remuneration policy and implementation report.</p> <p>Remuneration is linked to performance to ensure executives and employees are motivated to achieve the company’s strategic objectives and goals, and that their interests are aligned with those of shareholders.</p>	<ul style="list-style-type: none"> Remuneration report - 63
Principle 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 organisation’s external reports.	☑	<p>Metair reviews its combined assurance model annually based on identified key risks and the audit and risk committee ensures that all areas are adequately covered by either/or external audit, internal audit, management, specialist consultants, government or insurance. The board ensures that assurance providers are independent and objective.</p> <p>The board’s statement of responsibility of directors, states that the directors are of the opinion, based on the information and explanations given by management and the internal auditors, that the system of internal controls provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements.</p> <p>An external independent assurance provider reviewed the sustainability practices of the company and external auditors are responsible for reporting on whether the group financial statements and the financial statements of the company are fairly presented in accordance with the applicable reporting framework.</p>	<ul style="list-style-type: none"> About this report - 2 Combined assurance - 50 Statement of responsibility by the board of directors - 85
Principle 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.	☑	<p>The board is responsible for stakeholder engagement and follows a stakeholder inclusive approach. Metair’s governance philosophy guides the board to continuously direct, grow and control the business towards the achievement of sustainable value creation for all stakeholders. The group stakeholder engagement policy and Metair’s code of conduct emphasise equitable treatment of all stakeholders and apply to all group companies.</p> <p>Metair recognises that our ability to create long-term sustainable value depends on the quality of our stakeholder relationships – how well we understand and respond to their needs, interests and expectations. Stakeholder engagement is a standing item on the board agenda and directors are kept apprised of all material engagements and their outcomes.</p>	<ul style="list-style-type: none"> Key stakeholder relationships - 22 Metair Governance philosophy and framework - 45