



**50** YEARS

**FY2024**

**KING IV™**

## APPLICATION OF KING IV™ PRINCIPLES ON CORPORATE GOVERNANCE FOR SOUTH AFRICA 2016 (KING IV™)

### INTRODUCTION

Raubex is one of South Africa's leading infrastructure development and construction materials supply groups, celebrating 50 years in the construction industry since it was established in 1974. Raubex listed on the JSE in March 2007 and operates across southern Africa and Western Australia.

Raubex continues to apply and explain the principles of the King IV™ Report on Corporate Governance for South Africa 2016 (King IV™). Corporate governance is an integral part of the Group's business philosophy and the foundation on which the business is managed and controlled.

The Board of Directors, Board committees, Executive Committee, senior management and all employees across the Group are committed to maintaining the highest standards of good corporate governance and good corporate citizenship and accept full responsibility for the application of these principles.

# Application of the King IV™ Principles



## LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP

Principle	Application	Reference
<p><b>1. Ethical leadership</b></p> <p>The Board leads ethically and effectively.</p>	<p>The Raubex Board is the focal point and custodian of good corporate governance in the Group. In aligning with the King IV™ values supporting ethical and effective leadership, the Board ensures:</p> <ul style="list-style-type: none"> <li>■ <b>Integrity:</b> The Board members submit written declarations of interest and shareholding in the Group or in other relevant stakeholders to identify any potential conflicts of interest. The register is maintained of declared interests and updated regularly by the Company Secretary. When conflicts arise, the Board ensures that these are dealt with appropriately.</li> <li>■ <b>Competence:</b> The Board is suitably skilled and qualified and is committed to continuous learning. The Board is diversified in terms of knowledge, experience, and competence in the industry the Group operates in. The Board ensures that the evaluation of its performance (formal and informal) and that of its Chairperson and individual members is conducted on a biennial basis in accordance with its Charter. Refer to principle 9 for details.</li> <li>■ <b>Responsibility:</b> The Board makes decisions responsibly by considering all the facts and takes into consideration strategic objectives that are beneficial to all stakeholders. The Board has assumed collective responsibility for steering the direction of the Group, defining the Group's strategy and the implementation thereof, and ensuring accountability for Group-wide performance. Members of the Board are committed to attending all Board meetings held during the year and ensure that they are adequately prepared for meetings.</li> <li>■ <b>Accountability:</b> The Board is committed to good corporate governance principles as set out in the King IV™ Report.</li> <li>■ <b>Fairness:</b> The Board, collectively and individually, acts in good faith and with the utmost integrity in dealing with all stakeholders, thereby ensuring an ethical Group culture.</li> <li>■ <b>Transparency:</b> The Board remains transparent regarding disclosures and all Board dealings, which are disclosed in the Integrated Report suite of reports.</li> </ul> <p>The Board places considerable importance on maintaining a strong control environment. The established controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards.</p> <p>The Board has established a governance framework between Raubex Group Limited and its subsidiaries (the Group). The subsidiary companies have considered and adopted the Group's policies regarding assurance, risk, compliance, and information technology.</p> <p>The Board has also delegated to the Social and Ethics Committee and the committee is responsible for the Group's activities in relation to company ethics.</p>	<p><b>Integrated Report</b></p> <p><b>Material risks and opportunities</b></p> <ul style="list-style-type: none"> <li>■ Fraud hotline (page 35)</li> </ul> <p><b>Chairman's Statement</b></p> <ul style="list-style-type: none"> <li>■ Board composition, governance and King IV™ (page 41)</li> </ul> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>■ Raubex governance structure (page 76)</li> <li>■ Board meetings and attendance (page 77)</li> <li>■ Role of the Board (pages 77 – 78)</li> </ul> <p><b>Sustainability Report</b></p> <ul style="list-style-type: none"> <li>■ Social and Ethics Committee Report (pages 12 – 13)</li> <li>■ Integrity commitment (page 53)</li> </ul>

## Application of the King IV™ Principles (CONTINUED)

Principle	Application	Reference
<p><b>2. Organisational ethics</b></p> <p>The Board governs the ethics of the Group in a way that supports the establishment of an ethical culture.</p>	<p>The Board determines and sets the tone for the Group’s values, that support an ethical culture.</p> <p>The Board is committed to the highest standards of ethical behaviour in its business conduct and has developed a Code of Business Conduct and Ethics, and Fraud and Corruption Policy, to ensure consistent and effective investigation and disclosure of fraud and corruption throughout the Group. The Group has adopted a culture of zero tolerance towards fraud and corruption in all its activities. The Group ensures that the policies are kept up to date and are reviewed on a periodic basis.</p> <p>To address the Group’s ethical risks, we have a free independent tip-offs facility where suppliers, contractors, employees or any concerned or affected party can report any unethical practices anonymously. All suspected cases reported via the anonymous tip-offs facility are reported to the Audit Committee and the Social and Ethics Committee, investigated and addressed, where applicable.</p> <p>The Board has delegated the responsibility of monitoring the execution of the Code of Business Conduct and Ethics, and Fraud and Corruption Policy, to the Social and Ethics Committee, which is a sub-committee of the Board. The committee also monitors the Group’s compliance with the United Nations Global Compact 10 Principles on Human Rights, Environment, Labour and Anti-Corruption, including compliance with the Organisation for Economic Co-Operation and Development (OECD) recommendations.</p> <p>A dedicated ESG Manager is responsible for the design and implementation of the ESG strategy and to ensure the integration of governance, sustainability, health and safety, CSI initiatives, including environmental processes, in the Group’s operations.</p>	<p><b>Integrated Report</b></p> <p><b>Who we are</b></p> <ul style="list-style-type: none"> <li>■ Our core values (page 10)</li> <li>■ Our vision and mission (page 10)</li> </ul> <p><b>Material risks and opportunities</b></p> <ul style="list-style-type: none"> <li>■ Fraud hotline (page 35)</li> </ul> <p><b>Sustainability Report</b></p> <ul style="list-style-type: none"> <li>■ Social and Ethics Committee Report (statutory duties) (pages 12 – 13)</li> <li>■ ESG material matters and risks Fraud Hotline (page 18)</li> </ul> <p><b>ESG Summary Report</b></p> <ul style="list-style-type: none"> <li>■ Governance disclosure merits G3 Ethical Behaviour (pages 2)</li> </ul>

## Application of the King IV™ Principles (CONTINUED)

Principle	Application	Reference
<p><b>3. Responsible corporate citizen</b></p> <p>The Board ensures that Raubex is and is seen to be a responsible corporate citizen.</p>	<p>The Board oversees our vision, mission, and strategic objectives. The strategy of the Group is monitored by the Board and executed by the Group's Executive Committee (Exco).</p> <p>Our vision and mission position the Group as a responsible corporate citizen as we strive to manage relationships with clients and all other stakeholders, with professionalism and integrity while meeting social, health, safety and environmental responsibilities.</p> <p>Together with the Chief Executive Officer (CEO), the Board has reviewed the approved Group's five-year strategy during the year to ensure the relevance of our strategy. The strategy is being monitored and implemented by Exco, to ensure achievement of performance targets. The strategic performance goals include financial and non-financial measures. The non-financial measures include health and safety initiatives, risk management and compliance with the relevant laws and regulations.</p> <p>The Board, through the Social and Ethics Committee and Exco, oversees and monitors stakeholder expectations regarding its legal and moral obligations, including the transformation agenda in ensuring sustainability of the business. The Social and Ethics Committee oversees the results of the Group's activities, outputs and outcomes on the six capitals.</p> <p>Some of the activities overseen by the Social and Ethics Committee include:</p> <p><b>Our people:</b> We invest in our employees and ensure that they operate in a safe, engaging and collaborative environment. The Group continues to roll out its Health and Safety strategy and the Employment Equity implementation plan, and during the year has focused on the implementation of the new talent management strategy which includes providing learning programmes, bursaries and training to both current and potential employees in order to ensure that the Group secures and retains a skilled, diverse and experienced workforce.</p> <p><b>Social and relationship environment:</b> We embrace our corporate citizenship obligations and responsibilities as we continue making a positive social contribution. Our operations are located in areas affected by poverty, unemployment, inequality and inadequate provision of infrastructure. We seek to ensure a lasting positive impact within these communities. Our current approved ESG strategy also contributes to addressing our social responsibilities.</p> <p><b>Natural environment:</b> Our annual carbon footprint assessment has been completed for the year and we continue to submit the results on a voluntary basis to the Carbon Disclosure Project. In the current year, the Group's carbon footprint assessment has been compiled and verified by external service providers. In line with the National Greenhouse Gas (GHG) Emission Reporting regulations and Carbon Tax developments regarding climate change, we have aligned our environmental assessment methodologies with legislation. This approach has enabled us to comply with the legislative requirements, proactively manage the overall carbon footprint and prepare for the impact of Carbon Tax.</p>	<p><b>Integrated Report</b></p> <p><b>About Raubex</b></p> <ul style="list-style-type: none"> <li>■ Our vision and mission (page 10)</li> </ul> <p><b>Performance and outlook</b></p> <ul style="list-style-type: none"> <li>■ Chairman's statement (Sustainability feedback) (page 41)</li> </ul> <p><b>Sustainability Report</b></p> <ul style="list-style-type: none"> <li>■ Our environmental approach (pages 34 – 42)</li> <li>■ Our social investment (pages 43 – 67)</li> <li>■ Social and Ethics Committee Report (pages 12 – 13)</li> </ul> <p><b>ESG Summary Report</b></p> <ul style="list-style-type: none"> <li>■ Pages 1 – 7</li> </ul>



## STRATEGY, PERFORMANCE AND REPORTING

Principle	Application	Reference
<p><b>4. Strategy implementation and performance</b></p> <p>The Board appreciates that Raubex’s core purpose, its critical risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.</p>	<p>The Board exercises ongoing oversight over strategy implementation and performance and has reviewed and approved the Group’s five-year strategy during the year ended 29 February 2024. The Board has ensured that the Group’s strategy is aligned to sustainable value creation for all stakeholders.</p> <p>The CEO, in collaboration with Exco, is responsible for leading the implementation and execution of the Group’s strategy.</p> <p>Raubex’s ability to derive value is demonstrated in its business model. The Group operates an integrated business model covering the full spectrum of road construction, including supply of construction materials. The infrastructure and mining division ensures other specialised capabilities.</p> <p>When considering the strategy, the Board assesses the risks and opportunities affecting the Group’s business. The ESG and Health and Safety strategy has been incorporated into the Group’s strategy. The Board evaluates both the positive and negative outcomes in ensuring the elements of value creation are achieved. The Board currently monitors the progress of implementation of the Group’s defined strategy. The Board, through the Audit Committee, formally considered the going concern assertion of Raubex and the Group and is of the opinion that it is appropriate for the coming year.</p>	<p><b>Integrated Report</b></p> <p><b>About Raubex</b></p> <ul style="list-style-type: none"> <li>■ Raubex business model (pages 14 – 15)</li> <li>■ Strategic objectives (pages 16 – 23)</li> <li>■ Material risks and opportunities (pages 28 – 38)</li> </ul> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>■ Statement of going concern (page 75)</li> </ul> <p><b>Sustainability Report</b></p> <ul style="list-style-type: none"> <li>■ ESG strategic objectives (pages 8 – 11)</li> </ul>
<p><b>5. Reports and disclosure</b></p> <p>The Board ensures that reports issued by Raubex enable stakeholders to make informed assessments of Raubex’s performance and its short, medium and long-term prospects.</p>	<p>The Board oversaw the compilation of the 2024 Integrated Report suite of separate documents, which includes the Annual Financial Statements, Remuneration Committee Report, Risk Management Report, Social and Ethics Committee Report, Audit Committee Report, Sustainability Report, ESG Summary Report and Notice of Annual General Meeting, and has considered legal requirements, the intended audience and purpose of each report.</p> <p>The Board, through the Audit Committee, ensures the integrity of the Integrated Report suite of reports and any other required disclosures. The reporting framework and materiality has been approved by the Audit Committee to ensure legal compliance. The Audit Committee reviews the Integrated Report suite of reports which is then submitted to the Board for final approval, including the audited Annual Financial Statements.</p> <p>The Integrated Report suite of reports, including the Annual Financial Statements are published on the Raubex website.</p>	<p><b>Integrated Report</b></p> <p><b>Scope and boundary of the Integrated Report</b></p> <ul style="list-style-type: none"> <li>■ Approval of Integrated Report (page 5)</li> </ul> <p><b>Financial performance</b></p> <ul style="list-style-type: none"> <li>■ Audit Committee Report (pages 96 – 98)</li> </ul> <p><b>Sustainability Report</b></p> <p><b>Notice of AGM</b></p>



## GOVERNING STRUCTURES AND DELEGATION

Principle	Application	Reference
<p><b>6. Role of the governing body</b></p> <p>The Board serves as the focal point and custodian of corporate governance in Raubex and across the Group.</p>	<p>The Board’s role, responsibility, membership requirements and procedural conduct are documented in the Board Charter which was reviewed and approved in February 2023. The Charter will be reviewed again in February 2025. The Board is the ultimate custodian of good corporate governance. A defined governance framework has been established by the Board, supported by current and relevant policies and procedures.</p> <p>A minimum of four formal Board meetings were held during the year and Board members were provided with sufficient information and reports to enable them to make informed decisions. The Board reviews its performance every two years, through a formal Board evaluation process and includes the outcome of this evaluation in its report. The next evaluation will be performed in 2025. The Board is satisfied that it has fulfilled its responsibilities according to its approved Charter based on the review performed in May 2023.</p> <p>Refer to principle 9 below for details on the Board evaluation.</p>	<p><b>Integrated Report</b></p> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>■ Board meetings and attendance (page 77)</li> <li>■ Role of the Board (pages 77 – 78)</li> <li>■ Board and committees evaluation (page 78)</li> </ul> <p><b>Financial performance</b></p> <ul style="list-style-type: none"> <li>■ Statement of responsibility by the Board of Directors (page 89)</li> </ul>
<p><b>7. Composition of the governing body</b></p> <p>The Board comprises the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.</p>	<p>The Board is responsible for its composition and has ensured that it retains the appropriate balance of knowledge, skills, experience, diversity, and independence to discharge its governance responsibilities objectively and effectively, and through the Remuneration and Nomination Committee (Remco), considered the appropriate mix, considering business, commercial and industry knowledge, during the appointment of its directors.</p> <p>The Group has a unitary board consisting of eight directors. There are four Independent Non-Executive Directors, one Non-Executive Director and three Executive Directors. The Chairman, who is a Non-Executive Director, is not classified as independent in terms of governance best practice criteria, due to him being a shareholder of the Group and the previous CEO of Raubex. A Lead Independent Director has been appointed, to provide leadership and advice to the Board when the Chairman has a conflict of interest, without detracting from or undermining the authority of the Chairman.</p> <p>The Board appointed KPMG, an independent assessor, and has assessed the independence of Mr BH Kent, who has served on the Board for more than nine years. It was concluded that he continues to be independent and objective, with no conflict of interest, undue influence or bias having been created by his tenure, especially when judged from the perspective of a reasonable and informed outside third party.</p> <p>The Board currently comprises a good blend of longer serving and more recently appointed directors. The succession plan for directors is reviewed on an ongoing basis by both Remco and the Board. Since the end of December 2022, two new Independent Non-Executive Directors have been appointed to the Board as part of the recently implemented Board Succession Policy. As these new directors are promoted to committee Chairmanship position, long-serving Non-Executives will be retiring from the Board. During the year, there were changes to the Chairmanship of the Audit Committee, Risk Committee and Remco.</p>	<p><b>Integrated Report</b></p> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>■ Structure of the Board (page 76)</li> <li>■ Board Diversity Policy (page 77)</li> <li>■ Chairman and Lead Independent Director (page 77)</li> <li>■ Annual independence assessment of the Board (pages 78)</li> <li>■ Board changes (page 79)</li> <li>■ Non-Executive Director succession (page 79)</li> </ul> <p><b>Chairman’s Statement</b></p> <ul style="list-style-type: none"> <li>■ Board composition, governance and King IV™ (pages 41)</li> </ul>

## Application of the King IV™ Principles (CONTINUED)

Principle	Application	Reference
<p><b>8. Committees of the governing body</b></p> <p>The Board ensures that its arrangements for delegation within its own structures promote independent judgement, assist with balance of power and the effective discharge of its duties.</p>	<p>The Board has appointed and delegated certain responsibilities to its Board committees. The Board committees operate in terms of approved terms of reference, which are in line with the Companies Act, 71 of 2008 and King IV™. These committees exist to ensure balance of power and effective discharge of duties. Membership of the Board committees is as recommended by King IV™. The number and nature of Board committees ensures there is adequate separation and balance of responsibilities and power. There have been several changes to the Board committees during the year.</p> <p>The committees of the Board include the Audit, Risk, Remco and Social and Ethics Committees, which are all chaired by Independent Non-Executive Directors. The Chairperson of each committee reports their respective committee's discussions, activities, and resolutions, including the performance of the committee, to the Board at each Board meeting. During the previous year, the IT Steering Committee was separated from Exco and re-established as a separate committee which meets on a monthly basis. The committee is chaired by the Group Chief Operating Officer and reports to the Audit Committee.</p> <p>The Board is satisfied that each committee has the appropriate skills, experience, and knowledge to execute its mandate.</p>	<p><b>Integrated Report</b></p> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>■ Governance committees (pages 79 – 85)</li> <li>■ Board changes (page 79)</li> </ul>
<p><b>9. Performance evaluation</b></p> <p>The Board ensures 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>	<p>The Board ensures that the evaluation of its performance (formal and informal) and that of its Chairperson and individual members is conducted in line with its Charter. The two-year review was concluded in May 2023, where the Board facilitated a formal Board evaluation internally. This process was facilitated by the Governance, Risk and Compliance Manager. The methodology used was based on questionnaires completed by all the directors. The outcome of this internally facilitated methodology was shared with all Board committees and the Board. The Board is satisfied with the outcome of its evaluation, including the skills represented on the Board. The next evaluation will take place in FY2025.</p> <p>The performance of the Company Secretary is assessed annually to ensure the Company Secretary's independence and objectivity is not unduly influenced. Raubex's Company Secretary is suitably qualified and experienced and provides Exco and the Board with the requisite support for its efficient functioning and discharge of its duties.</p>	<p><b>Integrated Report</b></p> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>■ Board and committees evaluation (page 78)</li> </ul>
<p><b>10. Delegation to management</b></p> <p>The Board ensures that the appointment of and delegation to management, contributes to role clarity and effective exercise of authority and responsibilities.</p>	<p>The Board is satisfied that the appointment and delegation to management contributes to role clarity and the effective exercise of authority and responsibilities. The CEO is responsible for leading the implementation of the Group's strategy and the Board sets clear roles for the CEO and other executives.</p> <p>The Board is satisfied that the Group is adequately resourced and that there is proper delegation of authority. The CEO attends Remco and the Audit Committee meetings as an invitee and is not a member of these committees. Succession planning for the CEO position is reviewed periodically by the Board.</p> <p>Other key management functions such as the Financial Director and Chief Operating Officer are approved by the Board, including the delegation of the framework to appoint executives who will serve as Exco members.</p> <p>The performance of the CEO and Exco is formally reviewed by Remco and approved by the Board on an annual basis.</p>	<p><b>Integrated Report</b></p> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>■ Board accountability and delegation (page 76)</li> <li>■ Role of the CEO (page 78)</li> </ul> <p><b>Financial performance</b></p> <ul style="list-style-type: none"> <li>■ Statement of responsibility by the Board of Directors (page 89)</li> </ul>



## GOVERNANCE FUNCTIONAL AREAS

Principle	Application	Reference
<p><b>11. Risk and opportunity</b></p> <p>The Board governs risk in a way that supports Raubex in setting and achieving its strategic objectives.</p>	<p>Risk management and the governance of risk is considered an integral part of the Board’s responsibility. The Risk Management Policy, including the associated opportunities, has been reviewed and approved by the Board. The Board, through its Risk Committee, has delegated to management the responsibility to identify, assess, mitigate and manage risks and opportunities within the existing and emerging risk profile of Raubex’s operating environment.</p> <p>An assessment of risks and opportunities stemming from the six capitals (Financial, Manufactured, Intellectual, Human, Social and Relationship and Natural capitals) is considered on an ongoing basis. Mitigation actions are developed to reduce the impact of the risk and the Board, through the Risk Committee, is appraised quarterly on the Risk Management Plan.</p> <p>The Group continues to embed risk management at various levels of management within the Group and ensures a good level of commitment from the Exco, Board committees and the Board. The current level of maturity of Raubex’s risk management across the Group is at a top down/systematic level. Raubex continually strives to mature its risk management processes. This indicates that Raubex has many risk elements in the top-down level and some effectively at the systematic level.</p> <p>For more information regarding the top and emerging risks including opportunities for Raubex, refer to the Integrated Report.</p>	<p><b>Integrated Report</b></p> <p><b>About Raubex</b></p> <ul style="list-style-type: none"> <li>■ Raubex business model (pages 14 – 15)</li> <li>■ Material risks and opportunities (pages 28 – 38)</li> </ul> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>■ Risk Committee (pages 82 – 83)</li> </ul>
<p><b>12. Technology and information governance</b></p> <p>The Board governs technology and information in a way that supports Raubex in setting and achieving its strategic objectives.</p>	<p>The Audit Committee and IT Steering Committee assist the Board with the governance of technology and information for the Group. The Board appreciates the importance of information technology (IT) for the achievement of its strategy and sustainability of the business. During the previous year, the IT Steering Committee was separated from Exco and re-established as a separate committee which meets on a monthly basis.</p> <p>IT risks are identified and monitored on an ongoing basis, which includes addressing of safeguards of IT assets, disaster recovery plans and ensuring continuity of operations. The Chief Operating Officer currently chairs and reports to the Audit Committee on IT governance and other related IT matters. Assurance on the governance of information and technology is provided and aligned to the Group’s strategy. Both external and internal auditors consider the effectiveness of IT controls, as per the respective approved audit plans.</p> <p>The Board has also ensured IT is included as part of the Group combined assurance model and the risks are monitored on a quarterly basis based on the defined levels of assurance. Processes to ensure compliance with the relevant laws, information security and protection of personal information have been established. Cybercrime and cybersecurity are monitored as part of IT governance.</p> <p>For FY2025, an independent cybersecurity review is planned to be performed in line with the approved Internal Audit Plan.</p>	<p><b>Integrated Report</b></p> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>■ Audit Committee (pages 79 – 80)</li> <li>■ IT Steering Committee (page 85)</li> </ul>



## Application of the King IV™ Principles (CONTINUED)

Principle	Application	Reference
<p><b>13. Compliance governance</b></p> <p>The Board governs compliance with applicable laws and adopts non-binding rules and codes and standards in a way that supports Raubex being ethical and a good corporate citizen.</p>	<p>The Board is responsible for the governance of compliance by setting the direction for how compliance should be approached and addressed by the Group. Compliance continues to be governed and managed through the Board approved Compliance Policy and Risk Management Charter. The Risk Committee, through management, has defined and continually monitors the regulatory universe and appropriate responses to changes in legislation and developments.</p> <p>Raubex subscribes to LexisNexis regulatory compliance updates and developments, which is a notification service that provides updates to the Group of any regulatory changes, which are then reviewed and communicated to the Group.</p> <p>The Risk Committee monitors the defined regulatory universe, which includes possible regulatory penalties, sanctions, and fines for contraventions of, or non-compliance with, statutory obligations. Management went further in defining the Regulatory Policy Universe by ensuring all required policies are in place, updated where necessary, and approved and implemented.</p> <p>Annual compliance assessments are completed by senior management in ensuring compliance with legislation and regulations. Periodic independent assurance compliance reviews are undertaken by Internal Audit and other independent assurance providers and non-compliances (if any) are addressed by management and rectified accordingly.</p>	<p><b>Integrated Report</b></p> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>■ Statement of compliance (page 75)</li> <li>■ Compliance with laws, rules, codes and standards (page 86)</li> </ul>
<p><b>14. Remuneration governance</b></p> <p>The Board ensures that Raubex 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>	<p>Raubex has an approved Remuneration Policy, which aims to motivate, reward and retain Executive Directors, Exco and management with the required level of professional and operational expertise necessary to achieve the Group's strategic objectives; and promote positive outcomes that are aligned to shareholder interests.</p> <p>Remco is delegated by the Board to independently oversee the implementation of the approved Remuneration Policy that will ensure the achievement of Raubex's strategy and grow stakeholder value sustainably.</p> <p>The Group actively engages with Raubex's institutional investors. At the AGM held on 28 July 2023, of the total shares voted, 96.59% (2022: 96.62%) voted in favour of the remuneration Policy and 3.41% (2022: 3.38%) voted against the policy, with 0.04% of votes abstaining (2022: 0.01%). The Remco is satisfied with the level of support received from shareholders for the Remuneration Policy.</p> <p>Also, at the AGM held on 28 July 2023, of the total shares voted, 82.66% (2022: 61.38%) voted in favour of the Remuneration Implementation Report and 17.34% (2022: 38.62%) voted against the report, with 0.04% of votes abstaining (2022: 0.01%).</p> <p>A disclosure of the remuneration of each Executive Director and prescribed officers is included in the AFS.</p> <p>In line with the recommended practices of King IV™, the Remuneration Policy and Implementation Report will be tabled for separate non-binding advisory votes by the shareholders at the AGM in July 2024. The Group's current Remuneration Policy is up for renewal in 2024 and will be tabled at the upcoming AGM for a non-binding advisory vote. Remco has overseen a process to formulate and implement a new policy that is aligned to shareholders' interests.</p>	<p><b>Notice of AGM</b></p> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>■ Remuneration and Nomination Committee Report (pages 11 – 26)</li> <li>■ Endorsement of Raubex's Remuneration Policy and Remuneration Implementation Report (page 12)</li> </ul>

## Application of the King IV™ Principles (CONTINUED)

Principle	Application	Reference
<p><b>15. Assurance</b></p> <p>The Board ensures that assurance services and functions enable an effective control environment and that these support the integrity of information for internal decision making and of Raubex's external reports.</p>	<p>The Board is responsible for assurance throughout the Group and continues to monitor the Combined Assurance Framework which was updated and reviewed by the Board during the year. The responsibility of overseeing these arrangements have been delegated to the Audit and Risk Committees. The Audit and Risk Committees consider the Combined Assurance Reports to ensure assurance is provided on the risks and emerging risks identified.</p> <p>The Combined Assurance Plan and Report are based on the risk profile of the Group and the Board satisfies itself quarterly on the effectiveness of controls. The Audit Committee ensures a system of internal financial controls that is designed to provide assurance on the maintenance of proper accounting records and the reliability of financial information is maintained. The Internal Audit Plan includes the execution of compliance audits.</p> <p>Raubex has an independent Internal Audit Function, which is outsourced to KPMG. The risk-based Internal Audit Plan is executed under the mandate approved by the Audit Committee. Progress against the approved plan is reported quarterly to the Audit Committee. The Combined Assurance Plan and Report have been reviewed by KPMG during the year for its effectiveness.</p> <p>The Raubex Board applied its collective mind to the contents of the Integrated Report suite of reports and is satisfied with its integrity.</p> <p>The Board, through the Audit and Risk Committees, is satisfied with the level of assurance provided during the year ended 29 February 2024.</p>	<p><b>Integrated Report</b></p> <p><b>Scope and boundary of Integrated Report</b></p> <ul style="list-style-type: none"> <li>Assurance (page 5)</li> </ul> <p><b>About Raubex</b></p> <ul style="list-style-type: none"> <li>Material risks and opportunities (pages 28 – 38)</li> <li>Combined assurance approach (pages 36 – 37)</li> </ul> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>Audit Committee (pages 79 – 80)</li> <li>Internal Audit (page 86)</li> </ul>



## STAKEHOLDER RELATIONSHIPS

Principle	Application	Reference
<p><b>16. Stakeholders</b></p> <p>In the execution of its governance roles and responsibilities, the Board adopts a stakeholder inclusive approach that balances the needs, interests, and expectations of material stakeholders in the best interest of Raubex over time.</p>	<p>The Board is responsible for the governance of stakeholder relationships and ensures that a stakeholder engagement framework is in place and implemented by management. The Board has adopted a stakeholder inclusive approach, which includes the identification of individual stakeholders and stakeholder groups. The Board ensures transparent and effective communication that builds stakeholder confidence.</p> <p>The Social and Ethics Committee exercises ongoing oversight of stakeholder relationship management including public relations.</p> <p>The Board, together with management, understands and responds to the needs of the various stakeholder groups, which include investors, employees, customers, clients, suppliers, providers of finance, government regulatory bodies, JSE, trade unions, industry associations and communities, in balancing their legitimate and reasonable needs, interests and expectations. To ensure effective communication, the Group publishes its Integrated Report suite of reports, including interim and final financial results, on its website.</p>	<p><b>Integrated Report</b></p> <p><b>Governance section</b></p> <ul style="list-style-type: none"> <li>Stakeholder communication and relations (pages 86 – 87)</li> </ul> <p><b>Sustainability Report</b></p> <p><b>Stakeholder engagement</b></p> <ul style="list-style-type: none"> <li>Stakeholder engagement (pages 19 – 23)</li> <li>Social and Ethics Committee (pages 12 – 13)</li> </ul>