

KING V GOVERNANCE DISCLOSURE



Southern Sun Limited
Registration number 2002/006356/06
(Southern Sun or the company)



APPLICATION OF KING V

The principles and practices of King V are applied in a manner appropriate to Southern Sun's size, complexity and operating environment. Governance is integrated into the way the group is directed, controlled and managed, and is aligned to the delivery of sustainable value.



REPORTING FRAMEWORK

This disclosure forms part of Southern Sun's broader reporting suite and should be read together with the integrated annual report, annual financial statements, remuneration report, social and ethics committee report, audit and risk committee report and sustainability disclosures.

These reports collectively provide a coherent view of the group's governance, performance, risk management and stakeholder engagement. Cross-referencing is used to ensure clarity without duplication.





GOVERNANCE OUTCOMES

The board is satisfied that its governance approach has directly supported the following outcomes:



ETHICAL CULTURE

The board's emphasis on accountability, supported by a formal ethics framework and active oversight, has sustained a strong ethical culture across the group.

OUTCOME

A consistent and accountable ethical environment, with effective identification and resolution of issues



BOARD VIEW

The board is satisfied that the group maintained a strong ethical culture supported by appropriate governance oversight, independent reporting mechanisms and accountability processes.

KEY INDICATORS

- 5 whistleblowing incidents were reported and investigated during the year, with no systemic control failures identified
- Ethical standards are embedded through the code of conduct, supported by ongoing monitoring and reporting
- The social and ethics committee continued to oversee matters relating to ethical conduct, responsible corporate citizenship, stakeholder relationships, employee wellbeing, transformation and sustainability



FURTHER INFORMATION

Social and ethics committee report; integrated annual report



PERFORMANCE AND VALUE CREATION

The board's disciplined approach to strategy, capital allocation and risk oversight, including a continued focus on portfolio optimisation and the prioritisation of higher-performing assets, has translated into strong financial performance and improved shareholder returns.

OUTCOME

Sustainable value creation, improved financial resilience and disciplined capital allocation



BOARD VIEW

The board is satisfied that the group's strategy, disciplined capital allocation and portfolio optimisation initiatives continued to support sustainable value creation, operational resilience and improved stakeholder returns.

KEY INDICATORS

R7.2bn Total income **+9%**

R2.4bn Ebitdar **+12%**

R1.2bn Adjusted headline earnings **+19%**

90.1cps AHEPS **+19%**

R86m Net cash position

R359m Share buybacks
30.0cps Dividends per share



FURTHER INFORMATION

Integrated annual report; annual financial statements



CONFORMANCE AND PRUDENT CONTROL

The board's oversight of risk, compliance and assurance frameworks has ensured a stable and controlled operating environment.

OUTCOME

A robust control environment supporting reliable performance and decision-making



BOARD VIEW

The board is satisfied that the group's systems of risk management, internal control, compliance and combined assurance remained effective during the year and supported sound governance, informed decision-making and organisational resilience.

KEY INDICATORS

- No material control failures or regulatory breaches were reported
- Independent assurance was obtained through a coordinated combined assurance model, including external audit by Deloitte & Touche, internal audit and internal controls assurance provided by GRIPP Advisory Proprietary Limited, B-BBEE verification by Empowerdex Proprietary Limited, cybersecurity maturity assessments by Performanta South Africa Proprietary Limited, and organisational resilience and risk management assurance aligned to ORMS standards by DQS German Association for Certification of Management Systems Proprietary Limited
- Liquidity and solvency remained strong



FURTHER INFORMATION

Audit and risk committee report; integrated annual report



LEGITIMACY

The board's stakeholder-inclusive approach and commitment to transformation and sustainability have strengthened the group's legitimacy.

OUTCOME

Sustained stakeholder trust and social licence to operate



BOARD VIEW

The board is satisfied that the group's approach to stakeholder engagement, transformation and sustainability supports long-term legitimacy and stakeholder confidence.

KEY INDICATORS

- Maintained Level 1 B-BBEE contributor status
- Continued investment in enterprise and supplier development
- Strong employment equity profile and workforce transformation
- Ongoing stakeholder engagement, sustainability and community-focused initiatives supported the group's responsible corporate citizenship and social licence to operate



FURTHER INFORMATION

Social and ethics committee report; sustainability disclosures



APPLICATION OF KING V PRINCIPLES

The following section sets out how the board has applied the individual principles and practices of King V.



KING V PRINCIPLES

PRINCIPLE 1: Leadership



At a glance

- Ethical and effective leadership
- Independent judgement and accountability
- Strong governance tone

The board sets the tone for ethical and effective leadership and exercises independent judgement in the best interests of the group.

Regular engagement on strategy, capital allocation and risk ensures that leadership remains aligned to value creation and long-term sustainability.



Outcome

Decisive and accountable leadership supporting consistent performance



FURTHER INFORMATION

Integrated annual report; board charter

PRINCIPLE 2: Ethics



At a glance

- Formal ethics framework
- Independent whistleblowing hotline
- Zero tolerance for misconduct

Ethics is actively governed through formal policies and oversight by the social and ethics committee.

All reported incidents are investigated and addressed, with outcomes monitored by the board.



Outcome

A strong ethical culture with effective monitoring and accountability



FURTHER INFORMATION

Social and ethics committee report; code of conduct

PRINCIPLE 3: Strategy, performance and value creation



At a glance

- Strategy aligned to capital allocation
- Performance measured against clear metrics
- Shareholder returns prioritised

The board integrates strategy, risk and performance, with a clear focus on capital discipline and portfolio optimisation.



Outcome

Sustainable value creation driven by disciplined governance and execution. The group's focus on optimising its owned and leased portfolio, combined with disciplined cost management and capital allocation, underpinned the improved financial performance for the year



FURTHER INFORMATION

Integrated annual report; annual financial statements



KING V PRINCIPLES

PRINCIPLE 4: Reporting



At a glance

- Transparent and integrated reporting
- External audit and internal assurance
- Reliable disclosures

The board is satisfied that the group's reporting is accurate, balanced, transparent and decision-useful.



Outcome

High-quality reporting supporting stakeholder confidence



FURTHER INFORMATION

Audit and risk committee report; integrated annual report

PRINCIPLE 5: Composition of the governing body



At a glance

- Majority independent non-executive directors
- Diverse and appropriately skilled board
- Separation of Chair and CEO

At 31 March 2026, the board comprised a majority of independent non-executive directors (56%), with 67% black representation. The board maintains an appropriate balance of executive, non-executive and independent members, and reflects strong diversity and a breadth of skills aligned to the group's strategic priorities.

The board is satisfied that all directors continue to meet the required fit and proper standards and possess the skills, experience and independence appropriate to their roles.



FURTHER INFORMATION

Integrated annual report; nomination committee disclosures

PRINCIPLE 6: Committees



At a glance

- Audit and risk, remuneration, nomination and social and ethics committees
- Independent oversight structures

Board committees operate within approved terms of reference, are evaluated regularly and provide focused oversight across key governance areas.



Outcome

Strengthened governance and efficient board functioning



FURTHER INFORMATION

Audit and risk committee report; remuneration report; social and ethics committee report

PRINCIPLE 7: Delegation to management



At a glance

- Clear delegation framework
- CEO accountability
- Structured reporting

Authority is delegated to management within defined parameters, with performance monitored against strategic objectives.



Outcome

Effective execution and accountability



FURTHER INFORMATION

Integrated annual report



KING V PRINCIPLES

PRINCIPLE 8: Risk governance



At a glance

- Integrated risk framework
- Defined risk appetite
- Ongoing monitoring

The board is satisfied that risk is actively governed and integrated into strategic decision-making through clearly defined risk appetite, ongoing monitoring, scenario planning and resilience initiatives, enabling the group to respond effectively to external pressures, including offshore trading challenges and geopolitical developments.



Outcome

Resilient performance in a complex operating environment



FURTHER INFORMATION

Audit and risk committee report; integrated annual report

PRINCIPLE 9: Compliance governance



At a glance

- Compliance integrated into governance
- No material breaches

Compliance is embedded within the group's control framework and monitored through internal assurance processes.



Outcome

Strong compliance culture and regulatory adherence



FURTHER INFORMATION

Audit and risk committee report

PRINCIPLE 10: Technology and information governance



At a glance

- SAP S/4HANA platform
- Cybersecurity controls and monitoring
- Multi-factor authentication

Investment in technology, cybersecurity and digital transformation supports operational efficiency, resilience and risk management.



Outcome

Secure and reliable IT environment supporting operations



FURTHER INFORMATION

Audit and risk committee report; integrated annual report

PRINCIPLE 11: Remuneration governance



At a glance

- Pay-for-performance
- Alignment with strategy

Remuneration structures are aligned to performance, shareholder value creation and transparent remuneration disclosure.



Outcome

Incentives support sustainable performance



FURTHER INFORMATION

Remuneration report



KING V PRINCIPLES

PRINCIPLE 12: Assurance



At a glance

- Combined assurance model
- Internal and external audit

The board is satisfied that it receives coordinated and sufficient assurance across financial, operational, IT and compliance areas.



Outcome

Effective and reliable control environment



FURTHER INFORMATION

Audit and risk committee report; combined assurance framework

PRINCIPLE 13: Stakeholder relationships



At a glance

- Stakeholder-inclusive approach
- Active shareholder engagement

The board adopts a stakeholder-inclusive approach to decision-making, supported by transparent communication, engagement and responsible corporate citizenship.



Outcome

Strengthened stakeholder trust and sustained legitimacy



FURTHER INFORMATION

Integrated annual report; sustainability disclosures