

A decorative graphic on the left side of the header, consisting of a series of horizontal lines in white and red, some solid and some dotted, creating a sense of motion or data flow.

King IV™ Compliance Supplementary Report

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2025

King IV™ application register

This document demonstrates Life Healthcare's application of the King Code of Governance Principles for South Africa 2016™ (King IV™), during the year ending 30 September 2025.

PRINCIPLE	APPLICATION OF THE PRINCIPLE
LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP	
PRINCIPLE 1	LEADERSHIP
The board should lead ethically and effectively.	<p>A Board evaluation is conducted annually. The most recent internal survey, done in August 2024, concluded that the Board is collegiate, professional, with a wide range of relevant skills and experiences and the best interests of the Company were placed first. Read more about priorities identified in the survey in the 2025 integrated annual report.</p> <p>Board members are required to timeously disclose any conflicts of interest. Declarations are completed annually and reviewed at each Board meeting. New Board members are provided with a comprehensive induction programme that includes visits to the Company's facilities and in-depth interviews with all the executives to better understand the business.</p> <p>The Social, Ethics and Transformation Committee (SETCO) is provided with reports on ethics-related initiatives carried out by Life Healthcare. SETCO provides guidance and ensures that ethics-related matters are appropriately considered. Reports on tip-offs are tabled at both the SETCO and Audit and Risk Committee.</p>
PRINCIPLE 2	ORGANISATIONAL VALUES AND ETHICS
The board should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	<p>The Board sets the tone at the top for an ethical culture, based on Life Healthcare's five core values, which are:</p> <ul style="list-style-type: none"> • Passion for people • Quality to the Power of e • Performance pride • Personal care • Lifetime partnerships <p>In terms of the Board Charter, the Board discharges its role and responsibilities with due regard to the values that support the central tenets of Life Healthcare's name and brand. In providing the required leadership, the Board applies the governance principles contained in King IV™ and continues to entrench the recommended practices through the Company's governance processes and procedures.</p> <p>The Life Healthcare Code of Conduct is binding on every employee, officer, director, contractor and supplier of the Group and its various subsidiaries across all territories within which we operate. One of our core values, Quality to the Power of e (Q^e), encompasses ethics to ensure that all business endeavours are conducted within the framework of legal and ethical standards.</p> <p>The Board, with the assistance of SETCO, oversees the management of ethics and monitors the Company's activities to ensure they are in line with the Code.</p>

PRINCIPLE

APPLICATION OF THE PRINCIPLE

LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP continued

PRINCIPLE 3

RESPONSIBLE CORPORATE CITIZENSHIP

The board should ensure that the organisation is and is seen to be a responsible corporate citizen.

The Board has delegated to SETCO the responsibility for monitoring and reporting of social, ethical, transformational and sustainability practices that are consistent with good corporate citizenship.

Life Healthcare acknowledges the need to add value to the societies in which it operates. SETCO monitors the activities that demonstrate the Company's commitment to being a good corporate citizen. Healthcare access, education and training, and community upliftment are the foundational pillars for CSI initiatives.

SETCO receives regular reports from management in respect of CSI initiatives. Social initiatives related to our employees include transformation, diversity and inclusion. SETCO has reviewed the Company's employment equity plan, in accordance with the revised Employment Equity regulations, which came into effect on 1 January 2025.

The Board takes ultimate responsibility for the governance of environmental, social and governance (ESG) matters, and the SETCO provides focused oversight, including for the assessment of ESG targets and focus areas.

STRATEGY, PERFORMANCE AND REPORTING

PRINCIPLE 4

STRATEGY, IMPLEMENTATION AND PERFORMANCE

The board should appreciate that the organisation'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, assisted by the Audit and Risk Committee, reviews key risks and opportunities impacting the achievement of its strategic objectives.

We have an enterprise risk management policy and framework. Risks are closely managed and monitored by the risk function and reported at the quarterly Audit and Risk Committee meetings.

The value-creation process, the Group's performance against its strategic objectives, information on material matters and risks and opportunities can be found in the integrated annual report.

PRINCIPLE 5

REPORTS AND DISCLOSURE

The board should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short, medium and long-term prospects.

The Board is assisted by the Audit and Risk Committee in reviewing and approving the integrated annual report, sustainability report and the remuneration report. The reports are prepared in line with recognised local and international guidelines, including International Financial Reporting Standards (IFRS), the Integrated Reporting Framework, the reporting principles contained in King IV™ and the JSE Limited Listings Requirements.

The integrated annual report, when read with the annual financial statements, provides stakeholders with a balanced and holistic view of the Company's financial, social, environmental and economic impact to better understand the Company's short-, medium- and long-term prospects.

GOVERNING STRUCTURES AND DELEGATION

PRINCIPLE 6

ROLE OF THE BOARD

The board should serve as the focal point and custodian of corporate governance in the organisation.

The Board has an approved charter, which is reviewed annually. The Board's role and responsibilities are articulated in the Board Charter. The Board is the focal point and custodian of corporate governance, both in terms of how its role and responsibilities are documented and the way it executes its duties and responsibilities.

The Nominations and Governance Committee supports the Board in ensuring that new legislation and changes to legislation are timeously brought to the Board's attention. This Committee reviews the governance framework, Board Charter, and delegation of authority before it is brought to the Board for approval.

PRINCIPLE

APPLICATION OF THE PRINCIPLE

GOVERNING STRUCTURES AND DELEGATION continued

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 Nominations and Governance Committee annually considers the composition of the Board in terms of the balance of skills, experience, diversity, independence and knowledge needed to discharge the Board's role and responsibility. The Board is satisfied that the current composition of the Board is appropriate, considering the size of the Group. The diversity policy encourages diversity.

Through the Board evaluation process, the Board is satisfied that the Board and Committee members have the necessary skills and expertise to fulfil their duties.

Further details regarding the composition of the Board, assessment of the independence of the non-executive directors, induction, and the Board's diversity policy are contained in the governance section of the integrated annual report and on the website.

PRINCIPLE 8

ROLE 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.

The Board has six committees that assist it in discharging its duties and responsibilities:

- Audit and Risk Committee
- Human Resources and Remuneration Committee
- Investment Committee
- Nominations and Governance Committee
- Social, Ethics and Transformation Committee
- Clinical Committee

The Committees operate in accordance with written terms of reference, which are reviewed and approved by the Board annually. In addition, Committees have work plans to ensure that the necessary topics are all canvassed through the course of the year. The Board is assisted by the Nominations and Governance Committee in reviewing the composition of the Committees to ensure that the Committees have the necessary skill sets required to contribute to the effectiveness of the Committees. The Nominations and Governance Committee also assesses the distribution of the balance of power to avoid a situation where individual(s) dominate decision-making. Independence of Board members is reviewed annually.

Each Committee Chairman provides feedback to the Board on the deliberations of the Committee meetings. Additional information on the Board Committees is to be found in the governance section of the integrated annual report.

PRINCIPLE 9

EVALUATIONS OF THE PERFORMANCE 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.

Formal assessments of the effectiveness of the Board, Committees, Chairman, directors and company secretary are conducted annually under the auspices of the Nominations and Governance Committee. In-house assessments are conducted, and external formal assessments take place every three years. Feedback is provided to each Committee in terms of its performance as well as the performance of the Chairman. An in-house assessment was conducted in 2025.

PRINCIPLE

APPLICATION OF THE PRINCIPLE

GOVERNING STRUCTURES AND DELEGATION continued

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.

According to the delegation of authority framework, the Board retains overall accountability, including for matters reserved for the Board. The Board has delegated authority to the chief executive to run the day-to-day affairs of the Company. The delegation of authority framework sets out authority thresholds and governs sub-delegation. The framework also prescribes authority levels for each jurisdiction in which the Company operates and is reviewed annually.

The Board ensures that key management functions are led by competent and appropriately authorised individuals and are adequately resourced.

GOVERNANCE OF FUNCTIONAL AREAS

PRINCIPLE 11

RISK GOVERNANCE

The board should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.

The Board, supported by the Audit and Risk Committee, is ultimately responsible for the governance of risk. One of the roles of the Audit and Risk Committee is to ensure that the Company has implemented an effective policy and plan for risk management which enhances the Company's ability to achieve its strategic objectives.

The Audit and Risk Committee assists in overseeing the development and annual review of a policy and plan for risk management and recommends these for approval and notification to the Board. Management is accountable and responsible for ensuring that the risk management processes and methodology are consistently applied and that risks that may impact their business areas are actively managed through the implementation of an appropriate control environment. Mitigating actions are formulated to further address the risks when required, and the Board is kept up-to-date on the progress of the risk mitigation plan.

PRINCIPLE 12

TECHNOLOGY AND INFORMATION GOVERNANCE

The board should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.

The Board is cognisant of the importance of technology and information as it is interrelated to the strategy, performance and sustainability of the Company. The Audit and Risk Committee is responsible for information and technology governance in accordance with King IV™.

The Committee assists in overseeing the implementation of IT governance mechanisms, IT frameworks, policies, procedures and standards to ensure the effectiveness and efficiency of the Company's information systems. In addition, the Committee monitors material IT projects as well as the management of IT risk across the Company.

Cyber-risk is also reported at each Audit and Risk Committee meeting to assess the Company's risk posture and steps taken to ensure the protection of the Company's cyber-environment.

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 organisation being ethical and a good corporate citizen.

The Board is responsible for the Company's compliance with applicable laws. The Board has delegated the responsibility for implementing compliance to management. The Board is assisted by the Audit and Risk Committee in monitoring compliance.

The compliance manager has set up a compliance framework that identifies applicable legislation across the Company and considers compliance with such legislation via a bi-annual certification process. In addition, the Company has a privacy officer to ensure that privacy, across stakeholder groups, is adequately protected.

SETCO assists the Board with ensuring responsible business practices within Life Healthcare and monitors the Company's activities in line with section 72 of the Companies Act, No 71 of 2008 (as amended).

There were no material penalties, sanctions, fines, or contraventions of or non-compliance with regulations during the period under review.

PRINCIPLE

APPLICATION OF THE PRINCIPLE

GOVERNANCE OF FUNCTIONAL AREAS continued

PRINCIPLE 14

REMUNERATION GOVERNANCE

The board 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.

Life Healthcare's remuneration strategy aims to attract and retain key talent and to motivate and reward employees appropriately to ensure they achieve key organisational objectives.

The remuneration policy and implementation report are set out in the 2025 remuneration report.

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 organisation's external reports.

The Company has implemented a combined assurance model, which is coordinated and managed by the risk function. Combined assurance at Company and subsidiary levels is overseen by the Audit and Risk Committee.

The Board has delegated oversight of, inter alia, the effectiveness of the Company's assurance services to the Audit and Risk Committee. The Committee provides oversight of combined assurance, including external audit, internal audit and the finance function, as well as the integrity of the integrated annual report and the annual financial statements.

STAKEHOLDER RELATIONSHIPS

PRINCIPLE 16

STAKEHOLDERS

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 organisation over time.

Establishing and maintaining effective stakeholder relationships are essential to sustain the growth of Life Healthcare and is an essential component of sound governance.

Details of stakeholder relationships and stakeholder engagements are included in the integrated annual report.

In terms of relationships within a group of companies, the Board is the custodian of corporate governance across the Group. The delegation of authority framework is approved by the Board and reviewed annually. The approved framework and authority levels are implemented throughout the Group. Policies are developed and implemented at Group and subsidiary levels. In cases where policies are required to address specific needs of the business, these are developed and applied at business unit level with appropriate Company oversight by the relevant executive.



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