



COGNITION HOLDINGS KING IV APPLICATION REGISTER

Principle	Implementation and application
<p>1. Governance outcome: ethical culture</p>	
<p>1.1. Ethical leadership The governing body should set the tone and lead ethically and effectively</p>	<p>The board of directors of Cognition Holdings Limited hold one another accountable for decision-making and ethical behaviour. The Chairman of the Board oversees this on an ongoing basis. This responsibility is contained in the Board terms of reference.</p> <p>The Board Charter also outlines the policies and practices of the board on matters such as directors' dealings in the securities of the Company and declarations of conflicts of interest.</p>
<p>1.2. Organisation values, ethics and culture The governing body should ensure that the organisation's ethics is managed effectively</p>	<p>The Board through the Social and Ethics Committee is responsible for the monitoring and governance of the ethics of the Group. This is contained in Social and Ethics Committee terms of reference.</p> <p>Cognition's Code of Ethics guides the interaction between employees, clients, stakeholders, suppliers and the communities within which it operates.</p>

<p>1.3. Responsible corporate citizenship The governing body should ensure that the organisation is a responsible corporate citizen.</p>	<p>The Board together with the Social and Ethics Committee is responsible for monitoring the overall responsible corporate citizenship performance of the Group.</p>
<p>2. Governance outcome: performance and value creation</p>	
<p>2.1. Strategy, implementation and performance The governing body should lead the value creation process by appreciating that strategy, risk and opportunity, performance and sustainable development are inseparable elements</p>	<p>The Company's ability to create value in a sustainable manner is illustrated throughout its business model.</p> <p>The Audit and Risk Committee assists the Board with the governance of risk and continuously monitors risks and ensures the implementation of various migrating controls.</p> <p>This responsibility is contained in the Board terms of reference and the Audit and Risk Committee terms of reference.</p>
<p>2.2. Reports and disclosure The governing body should ensure that reports and other disclosures enable stakeholders to make an informed assessment of the performance of the organisation and its ability to create value in a sustainable manner</p>	<p>The Group's Annual Report provides an assessment of its performance, measured against its objectives.</p>
<p>3. Governance outcome: adequate and effective control – governing structures and delegation</p>	

<p>3.1. Role of governing body The governing body should serve as the focal point and custodian of corporate governance in the organisation</p>	<p>The Board is the focal point and custodian of corporate governance within the Group. Its role and responsibilities and the way that it executes its duties and decision making are documented and are set out in the Board terms of reference. Further aspects of governance are addressed through the established Board sub- committees i.e. Audit and Risk-, Remuneration- and Social and Ethics Committees</p>
<p>3.2. Composition of governing body The governing body should ensure that in its composition it comprises a balance of skills, experience, diversity, independence and knowledge needed to discharge its role and responsibilities</p>	<p>The Board and its sub-committees consider on an annual basis, its composition in terms of balance of skills, experience, diversity, independence and knowledge and whether this enables it to effectively discharge its role and responsibilities.</p> <p>The Company's controlling shareholder has a decisive say in the nomination and appointment of directors.</p> <p>The Board comprises the necessary skills, experience, independence and knowledge needed for the Group.</p> <p>Through the informal self-assessment which is conducted every alternate year the Board and its sub-committees evaluate their knowledge and skills and consider where improvements may be required.</p>

<p>3.3. Committees of the governing body The governing body should consider creating additional governing structures to assist with the balancing of power and the effective discharge of responsibilities, but without abdicating accountability</p>	<p>The Board and its sub-committees complies with the requirements in terms of King IV. There is a clear balance of power to ensure that no individual/s have undue decision- making powers.</p> <p>The Audit and Risk Committee is satisfied that the auditor is independent and non-audit services are not performed and the audit firm has been appointed with the designated audit partner having oversight of the audit.</p> <p>The Chief Financial Officer oversees the finance function and is assisted by suitably qualified staff. An effective internal audit function is in place.</p> <p>An assessment of the effectiveness of the Chief Financial Officer’s performance is conducted annually by the Audit and Risk Committee, and confirmed in the Integrated Report.</p>
<p>3.4. Delegation to management The governing body should ensure that the appointment of, and delegation to, competent executive management contributes to an effective arrangement by which authority and responsibilities are exercised</p>	<p>The Board is satisfied that the Group is appropriately resourced and that its delegation to management contributes to an effective arrangement by which authority and responsibilities are exercised.</p> <p>Specific authority and powers of the board have been delegated to management. Such delegation reviewed by the board on a regular basis.</p> <p>The CEO does not have commitments outside of the Group. The notice period of the CEO in terms of his employment contract is three months.</p>

<p>3.5. Performance evaluations The governing body should ensure that the performance evaluations of the governing body, its structures, its chair and members, the CEO and the company secretary or corporate governance professional result in continued improved performance and effectiveness</p>	<p>The Board and all sub-committee's terms of reference provide for self-assessments every alternate year.</p> <p>Assessments of the performance of the Board, its sub-committees are conducted every alternate year by way of internal evaluation processes.</p> <p>The performance of the company secretary is assessed annually.</p>
<p>4. Governance outcome: adequate and effective control – governance functional areas</p>	
<p>4.1. Risk and opportunity governance The governing body should govern risk and opportunity in a way that supports the organisation in defining core purpose and to set and achieve strategic objectives</p>	<p>The Audit and Risk Committee assists the Board with the governance of risk. The Board is aware of the importance of risk management as it is linked to the strategy, performance and sustainability of the Group.</p> <p>The Audit and Risk Committee delegates to management to responsibility of identifying, assessing, mitigating and managing risks within the existing operating environment.</p> <p>Where necessary, executive management implements processes to manage identified risks within acceptable parameters.</p> <p>Mitigating controls are in place to address these risks which are monitored on a continuous basis.</p>
<p>4.2. Technology and information governance The governing body should govern technology and information in a way that supports the organisation in defining core purpose and to set and achieve strategic objectives</p>	<p>The Board, together with the Audit and Risk Committee, oversees the governance of information technology.</p> <p>The Board is aware of the importance of technology and information in relation to the Group's strategy.</p>

<p>4.3. Compliance governance The governing body should govern compliance with laws and ensure consideration of adherence to non-binding rules, codes and standards</p>	<p>The Board through the Social and Ethics Committee, assisted by the company secretary/ in-house legal resource monitors compliance with the various regulations the Group is subject to.</p> <p>There are no material penalties, sanctions or fines for contraventions of, or non-compliance with, regulatory obligations.</p>
<p>4.4. Remuneration governance The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the creation of value in a sustainable manner</p>	<p>The Board, assisted by the Remuneration Committee ensures that staff are remunerated fairly, responsibly, transparently and in line with industry standards so as to promote the creation of value in a sustainable manner.</p> <p>This responsibility is contained in the terms of reference of the Remuneration Committee.</p>
<p>4.5. Assurance The governing body should ensure that assurance results in an adequate and effective control environment and integrity of reports for better decision making</p>	<p>The Board is satisfied that the assurance results indicate an adequate and effective control environment and integrity of reports for better decision-making.</p> <p>This responsibility is contained in the terms of reference of the Board and the Audit and Risk Committee.</p>
<p>5. Governance outcome: trust, good reputation and legitimacy</p>	
<p>5.1. Stakeholders As part of its decision-making in the best interests of the organisation, the governing body should ensure that a stakeholder-inclusive approach is adopted, which takes into account their legitimate and reasonable needs, interests and expectations</p>	<p>Various stakeholder groups have been identified and the Board balances their legitimate and reasonable needs, interests and expectations.</p>

<p>5.2. Responsibility of shareholders The governing body of an institutional investor should ensure that the organisation responsibly exercises its rights, obligations, legitimate and reasonable needs, interests and expectations, as holder of beneficial interest in the securities of a company</p>	<p>N/A – Cognition Holdings Limited is not an institutional investor.</p>
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