OUR NOMINATION AND REMUNERATION COMMITTEES REPORT

THIS REPORT COMPRISES THREE PARTS

1 **THE NOMINATION AND REMUNERATION COMMITTEES' CHAIRPERSON'S REPORT**

The Nomination and Remuneration Committees' (the Committee) Chairperson's Report provides an overview of performance and remuneration in the 2024 financial year along with details of the governance arrangements in place with respect to nomination and remuneration. The Group has a single committee that deals with both nomination and remuneration matters and the Committee therefore prepares a single report combining both.

2 **FORWARD-LOOKING REMUNERATION POLICY**

The remuneration philosophy, policy and framework to be tabled at the AGM for a non-binding advisory vote by the Group's shareholders.

3 **IMPLEMENTATION REPORT**

The implementation of the Remuneration Policy in the 2024 financial year, which is to be tabled at the AGM for a separate non-binding advisory vote by the Group's shareholders.

MEMBERSHIP AND COMPOSITION OF THE COMMITTEE

Chairperson — Invitee



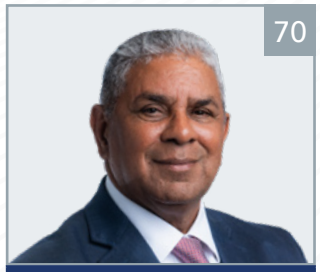
WA HANEKOM
Independent Non-executive Director
Appointed to board: 2016
2/2 MEETINGS ATTENDED



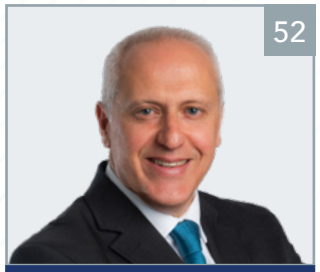
BM RAPIYA
Lead Independent Non-executive Director
Appointed to board: 2016
2/2 MEETINGS ATTENDED



MI KHAN
Non-executive Director
Appointed to board: 2016 (retired 27 Feb 2025)
2/2 MEETINGS ATTENDED



F ROBERTSON
Non-executive Chairperson
Appointed to board: 2009
2/2 MEETINGS ATTENDED



F RATHEB
Group Chief Executive Officer
Appointed to board: 2009
2/2 MEETINGS ATTENDED

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

1 THE NOMINATION AND REMUNERATION COMMITTEES' REPORT

BACKGROUND

Sea Harvest, as a responsible corporate citizen, remains committed to ethical leadership and responsible corporate governance practices thus creating sustainable growth in shareholder value through consistent improvement in earnings, clear growth and expansion of capital, and engaging with its shareholders and stakeholders.

This report describes the material matters dealt with by the Committee and summarises the Group's approach to fair, responsible and transparent remuneration. The report sets out how the Committee has discharged its duties in terms of statutory requirements as well as additional duties assigned to it by the Board in respect of the financial year ended 31 December 2024. This report also provides an overview of the Group's approach to nomination matters and the remuneration philosophy, policy and framework, with a particular emphasis on executive directors, non-executive directors and management.

OVERVIEW OF PERFORMANCE AND REMUNERATION

The Sea Harvest Group experienced its most challenging year since listing in 2017, impacted by hake catch rates at historical lows, weak market conditions in abalone, continued soft global prawn pricing, and high interest rates. This was offset by strong demand and improved pricing in hake, a solid performance from the newly acquired Sea Harvest Pelagic business, and a firm result from Ladismith despite challenges from FMD, resulting in the Group delivering **EBIT** of R609 million (2023: R577 million, up 6%) and **HEPS** of 55 cents (2023: 100 cents, which included a once-off gain on purchased loans of R93 million that contributed 34 cents to HEPS).

The **South African Fishing Group** includes Sea Harvest Corporation, the legacy hake business, and Sea Harvest Pelagic, the newly acquired pelagic fishing business:

- Celebrating its 60th year in existence, **Sea Harvest Corporation** continued to be affected by challenging fishing conditions with catch rates at historical lows (down 25% since 2021) leaving the Group significantly behind in catching its quota and resulting in 7% lower total catch volumes. Benefiting from strong demand in all markets and channels and significantly improved pricing, revenue increased by 7% to R3.425 billion (2023: R3.201 billion). The deleveraging effect of the low catch rates and volumes resulted in operating profit of R329 million (2023: R377 million) at an operating profit margin of 10% (2023: 12%). The segment secured four hake trawlers to replace lost capacity and renew the fleet.
- **Sea Harvest Pelagic**, now 120 years old, performed well, benefiting from good local industrial fish and pilchard catch volumes and resultant efficiencies, delivering revenue of R970 million and operating profit of R183 million (19% operating margin) since acquisition.

Sea Harvest Aquaculture includes Viking Aquaculture and Aqunion, the newly acquired abalone group. Benefiting from the inclusion of Aqunion since acquisition, revenue in the segment increased to R324 million (2023: R136 million, up 138%). However, the segment was challenged by weak market conditions in the Far East and increased competition impacting sales volumes, mix and pricing (which is down 35% since pre-COVID-19). After accounting for R3.6 million (2023: R14.6 million) of fair value adjustments to biological assets and related stock, the segment delivered EBIT of R15 million (2023: R84 million, including the R93 million gain on purchased loans).

Cape Harvest Foods: Revenue decreased by 9% to R1.73 billion (2023: R1.9 billion) largely as a result of the deconsolidation of BMFM from the second half of 2023. On a like-for-like basis, revenue increased by 4% to R1.73 billion (2023: R1.65 billion) with good milk flow growth driving higher sales volumes partially offset by lower average pricing. Despite the South African dairy segment being severely impacted by the FMD outbreak in the Eastern Cape, the segment delivered operating profit of R92 million (2023: R81 million), 12% ahead of 2023 at an operating profit margin of 5% (2023: 4%).

Sea Harvest Australia: Revenue decreased 13% to R997 million (2023: R1.14 billion), with high global prawn inventories continuing to drive lower prawn pricing (down 23% since 2022). Both the Shark Bay and Exmouth prawn fisheries displayed good species and size mix; however, total prawn catch volumes were still 28% below the 10-year average. A strong resource recovery resulted in increased scallop and crab quota with good catch volumes achieved by the fleet. As a result of clearing low-margin prior-season stock, soft prawn pricing, and lower prawn volumes landed, the segment broke even at operating profit level in 2024 (2023: R15 million profit).

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

The Group increased **revenue** by 16% to R7.18 billion (2023: R6.20 billion), benefiting from the inclusion of Sea Harvest Pelagic and Aqunion, and delivered **operating profit** of R580 million (2023: R462 million), an increase of 26%, with **operating profit margin** improving to 8% (2023: 7%).

Fair value losses of R7 million (2023: R17 million gains) included the R11 million effects of discounting relating to the contingent consideration offset by R4 million gains on the fair value adjustment to biological assets and related stock. The Group recognised a **gain on bargain purchase** of R28 million relating to the Sea Harvest Pelagic acquisition.

This resulted in Group **EBIT** increasing by 6% to R609 million (2023: R577 million, including the R93 million gain on purchased loans) with the Group **EBIT margin** at 8% (2023: 9%).

Net finance costs, which include investment income and interest expense, increased by 24% to R276 million (2023: R223 million) as a result of higher levels of debt (including the acquisition debt) during the year.

Profit after tax attributable to shareholders of Sea Harvest for the year decreased by 20% to R227 million (2023: R282 million) and **headline earnings** decreased by 37% to R174 million (2023: R275 million).

Basic EPS decreased 29% to 72 cents (2023: 102 cents) and **basic HEPS** decreased 45% to 55 cents (2023: 100 cents). The Group's results for the year ended 31 December 2023 included a once-off gain on purchased loans of R93 million, which contributed 34 cents to **EPS** and **HEPS**.

The Group declared a full and final cash ordinary **dividend** of 22 cents (2023: 40 cents, down 45%) per share in respect of the year ended 31 December 2024.

Sea Harvest continued to execute on its growth strategies and, in May 2024, concluded the transaction to acquire the following entities

- 100% of Terrasan's subsidiaries engaged in the catching, processing and sale of pelagic fish **(Saldanha)**; and
- 63.07% of Terrasan's subsidiaries engaged in the farming, processing and sale of abalone **(Aqunion)**.

The transaction diversifies Sea Harvest into pelagic fishing and rounds out the Group's exposure to all material wild-caught fisheries in South Africa, while the abalone business doubles in size. Importantly, the acquisition increases the Group's hard currency earnings, with the **international revenue mix** increasing to 51% in 2024 (2023: 49%).

Underpinned by its **Level 1 B-BBEE contributor status** and **c.95% black ownership,** transformation remains core to Sea Harvest's existence and strategy of driving social change. The Group spent R5.03 million on social economic development (including projects focused on job creation, youth and rural development, education, health, and local communities) and a further R15 million on supplier and enterprise development initiatives in 2024 to fuel broad-based economic growth and social transformation in mainly rural areas.

In 2025, following a number of years of organic and acquisitive growth of the Group, the Group enters a consolidation phase focusing on non-core asset disposals, efficiencies, cost containment, cash generation, and debt reduction. In line with this, the Committee will continue reviewing the Group's remuneration structures to ensure that these are fit for purpose and drive the behaviours required of employees.

Further details on specific activities of the Committee during the year are set out in this report.

The following changes to the Remuneration Policy are planned from the 2025 financial year:

- Introduction of a minimum shareholding requirement (MSR) for the CEO, CFO and senior executives – see **pages 138 and 144**
- A change in the STI performance measures for the CEO and CFO – see **page 136**
  - Previously, the STI financial performance measure for the CEO and CFO was a combination of EBIT (50%) and HEPS (50%)
  - From the 2025 year, this is now 100% HEPS
- A change in the weightings allocated to the LTI targets – see **pages 137 to 138**
  - Transformation weighting decreases from 33.3% to 16.6%
  - ROCE weighting increases from 33.3% to 41.7%
  - HEPS weighting increases from 33.3% to 41.7%

The Committee remains confident that the Group's remuneration philosophy and policy are aligned with its strategy and have contributed to the Group's growth. The Committee is also satisfied that the Remuneration Policy achieved its objectives in the 2024 financial year.

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

GOVERNANCE

The Committee was established to assist in monitoring the Group's nomination and remuneration practices and performance and to perform the functions required of a nomination and remuneration committee in terms of the Companies Act, King IV™, the JSE Listings Requirements, the Committee's Terms of Reference (the Charter), the Group's Remuneration Policy, and any other applicable legislation.

The Committee is a subcommittee of the Group's Board of Directors and has an independent role with accountability to the Board.

The Committee operates in terms of a formally approved Charter that was approved by the Board on 12 January 2017 and is reviewed annually, with the Charter having been reviewed by the Committee in November 2024.

The Charter is available at:
https://seaharvestgroup.co.za/investors/governance/

COMPOSITION OF THE REMUNERATION COMMITTEE

In line with best practice, the majority of the Committee members are independent non-executive directors of the Group. For the period under review the Committee comprised:

MEMBERS	QUALIFICATIONS	STATUS	AGE	APPOINTED TO BOARD
WA Hanekom	CA(SA)	Chairperson, Independent Non-executive Director	66	2016
BM Rapiya	BAdmin	Independent Non-executive Director	72	2016
MI Khan *(retired 27 Feb 2025)*	CA(SA)	Non-executive Director	59	2016

The chairperson of the Board is an *ex officio* member of the Committee. To assist the Committee with the execution of its mandate, the CEO attended the meetings in the 2024 financial year.

Invitees attend Committee meetings but are not present when their remuneration is discussed and hold no voting powers. Similarly, Committee members do not decide on their own remuneration.

The Committee holds two meetings a year (in line with its Charter) and brings matters within its mandate to the attention of the Board on a quarterly basis and as occasion requires. The attendance record of the Committee is set out in our Governance Report on **page 112**.

COMPOSITION OF THE NOMINATION COMMITTEE

The Nomination Committee deals with dedicated nomination matters and comprises three members:

MEMBERS	QUALIFICATIONS	STATUS	AGE	APPOINTED TO BOARD
WA Hanekom	CA(SA)	Chairperson, Independent Non-executive Director	66	2016
BM Rapiya	BAdmin	Independent Non-executive Director	72	2016
MI Khan *(retired 27 Feb 2025)*	CA(SA)	Non-executive Director	59	2016

INDEPENDENT EXTERNAL ADVICE

The Committee actively sources independent external advice on remuneration trends and benchmarks for executive directors and executives and retained the services of Bowmans and Khokhela Remuneration Advisors during the year. Sea Harvest uses the Remchannel survey to benchmark the salaries of employees. The Committee is satisfied that the advisors were independent and objective.

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

ROLES AND RESPONSIBILITIES OF THE COMMITTEE

The role of the Committee in respect of nomination matters is to have oversight of

- the process for nominating, electing and appointing members of the Board;
- the attributes of the members of the Board;
- the independence of the Board members;
- succession planning in respect of Board members; and
- the Company's policy on diversity (including gender) for the nomination and appointment of directors.

The role of the Committee in respect of remuneration is to assist the Board to ensure that

- the employee value proposition promotes fair, responsible, transparent remuneration and reasonable employment practices;
- the review of executive performance is conducted;
- the Group remunerates executive and non-executive directors fairly and responsibly; and
- the disclosure of directors' remuneration is accurate, complete and transparent.

The Board delegates the following responsibilities to the Committee

- Determine the Group's remuneration philosophy and policy to ensure alignment with the Group's strategy
- Review and approve the composition of remuneration packages for executive directors and senior executives to ensure that the Group remunerates fairly and responsibly
- Recommend the remuneration of non-executive directors
- Determine the performance criteria and targets for both STIs and LTIs
- Approve the allocation and award of FSP shares in terms of the Group's LTI plan rules
- Consider the composition and performance of the Board as well as succession planning
- Consider the succession planning for the Board, executive directors, and key senior executives

During the 2025 financial year, the main focus of the Committee is expected to be ensuring that the Remuneration Policy is effective and drives the required behaviours of management and employees. This is particularly important due to the challenging 2022, 2023 and 2024 financial years combined with the organic and acquisitive growth experienced by the Group over the last few years and the alignment and integration of these businesses within the Group. For more information on the Group's compliance with King IV™ in terms of diversity and succession planning, refer to the Group's King IV™ Application Register on its website: **www.seaharvestgroup.co.za/investors/governance/**

The Committee will also provide input when requested with regard to the integration of the Group's acquisition targets.

In satisfying its mandate during the year under review, the Committee

- considered nomination matters;
- reviewed the composition of the Board and its committees;
- considered the diversity of the Board;
- reviewed the performance of the Committee;
- considered succession planning for the Board, CEO and Executive Committee;
- considered the executive depth in the Group;
- reviewed the independent directors' (including the chairperson's) outside professional commitments;
- reviewed the independence of directors;
- deliberated on the Board's diversity policy and targets;
- approved the STI payments for the 2023 and 2024 financial years;
- reviewed and approved the performance metrics and rules of the STIs for the 2024 and 2025 financial years;
- reviewed the performance of the CEO and CFO for the 2023 and 2024 financial years;
- set the financial targets and functional targets for the CEO, CFO and Executive Committee for the 2025 financial year;
- considered and approved the vesting of the 2024 and 2025 tranches of FSPs;
- considered and approved the allocation and award of shares in terms of the Group's FSP to eligible participants, including performance hurdles;

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

- considered and approved the allocation and award of retention shares in terms of the Group's FSP;
- benchmarked packages of the CEO, CFO, executive directors and senior executives with external service providers for recommendation;
- considered and approved the increases in guaranteed pay for executives and employees in management positions (where applicable) for the 2024 and 2025 financial years;
- considered and approved the increases in guaranteed pay for salaried employees for the 2024 and 2025 financial years;
- considered and recommended the increases in fees for non-executive directors for the 2024 and 2025 financial years;
- considered for approval by the Board the mandate for 2024 and 2025 plant level and bargaining council wage negotiations;
- considered for approval by the Board the *ex gratia* bonus payments (where applicable) to employees;
- considered for approval by the Board remuneration-specific resolutions to be approved by shareholders at the AGM;
- considered the Committee's Charter and the Remuneration Policy;
- implemented the Committee's Charter and ensured its alignment with King IV™;
- set the annual work plan for the Committee; and
- approved the Nomination and Remuneration Committees' report for inclusion in the **IR**.

NON-BINDING ADVISORY VOTES

At the AGM held on 30 May 2024, the 2023 Remuneration Policy and the Implementation Report received support of 87.08% and 87.18%, respectively, of shareholders voting in favour thereof.

In line with the requirements of King IV™ and the JSE Listings Requirements, the 2024 Remuneration Policy together with the Implementation Report will be tabled for two separate non-binding advisory votes at the upcoming AGM.

In the event of 25% or more of the shareholders voting against either resolution at the AGM, the Committee will

- extend an invitation to dissenting shareholders in the SENS announcement with the results of the AGM for them to engage with the Committee regarding their reasons for voting against the relevant resolution; and
- propose in the invitation the manner and timing of engagement, which may include, but is not limited to, communication via email, telephone calls, meetings and roadshows.

The Committee will ascertain the reasons for dissenting votes and respond and provide constructive feedback to shareholders' questions, queries and legitimate concerns. After consideration of the results of the shareholder engagement, the Committee reserves the right to amend elements of the Remuneration Policy to further align it with market practice and shareholder value creation.

The Committee is pleased to present the Remuneration Policy of the Group on **pages 133 to 139** and the Implementation Report on **pages 140 to 144** for separate non-binding advisory votes.

1964 2025



OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

2 FORWARD-LOOKING REMUNERATION POLICY

BACKGROUND

This section of the report deals specifically with the remuneration of non-executive directors, executive directors, management, and other grades of employees. It sets out the remuneration philosophy and policy and the reward framework in place for the financial year ended 31 December 2024 and the financial year ending 31 December 2025.

POLICY AND PHILOSOPHY

The Group's remuneration philosophy is that employees are remunerated appropriately for their contribution to the delivery of the Group's strategy. The Remuneration Policy framework is based on the principles of fair and responsible remuneration and is formulated to attract, retain, motivate and reward high-calibre employees. The Group aims to encourage high levels of performance that are sustainable and aligned with the strategic direction and specific value drivers of the business. The way the Group remunerates employees reflects the dynamics of the market as well as the social, economic and environmental context in which the Group operates.

The Committee aims to reward superior performance and the achievement of the Group's strategy and ensures that there are consequences for underperformance. Managers play a vital role in ensuring that the performance management process provides the right information required to inform remuneration decisions made by the Committee.

Sea Harvest's operations include a number of employees who either form part of a bargaining unit or are independent contractors engaged on fixed-term contracts (within the bounds of South African labour legislation). The employment and remuneration arrangements of these employees are governed by separate agreements and are negotiated on an operational level (subject to oversight by the Committee); therefore, they are not covered by the Remuneration Policy framework.

FAIR AND RESPONSIBLE REMUNERATION

The principle of fair and responsible remuneration is at the core of the Group's remuneration philosophy. The Group is dedicated to improving employment conditions for all employees across the Group and may undertake and implement various initiatives from time to time to realise progressively the concept of fair and responsible remuneration.

Some of the principles driving this commitment include

- ensuring compliance with legislative requirements in terms of remuneration and benefits; and
- on a regular basis, conducting external benchmarking on remuneration packages across the various grades and job functions, which is a determining factor for setting remuneration across the Group.

REMUNERATION MIX

Remuneration comprises guaranteed pay (GP) and variable pay. Variable pay comprises STIs and LTIs. The remuneration mix reflects the relative proportions of each component in the package, which is linked to a job type and the nature of expected outcomes. The target remuneration mix varies at each grade. As a guideline, more senior employees should have a higher proportion of variable pay in their remuneration mix as they have the ability to influence the financial performance and strategic outcomes of the Group. The Committee has designed the remuneration mix for executive directors in a way that avoids overdependence on the variable pay components, which in turn discourages any excessive risk-taking behaviour. At lower levels, the remuneration mix is weighted in favour of GP.

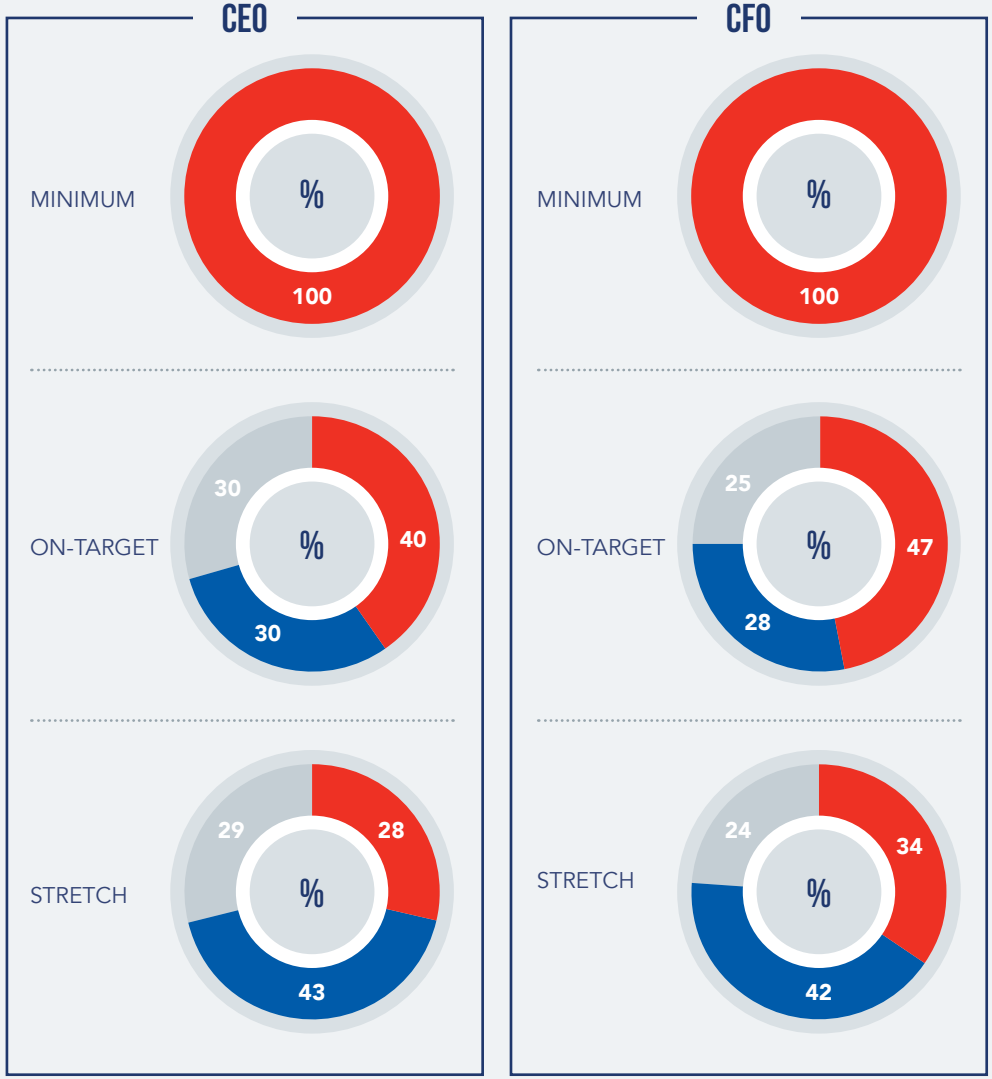
In order to drive a high-performance culture and alignment with shareholders through shared value creation, the total reward mix for the CEO and CFO is geared towards a higher percentage of variable pay at risk for the achievement of stretch targets. Implicit in the Remuneration Policy is that, over time, executives should build up a combination of restricted and unencumbered shares, ensuring significant alignment between the executives and shareholders.

The pie charts on page 134 illustrate the potential remuneration mix for the CEO and CFO at minimum, on-target and stretch performance levels. The methodology used is in line with that recommended by King IV™.

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

AGGREGATE EXECUTIVE DIRECTOR PAY MIX

Fixed STI LTI





FELIX RATHEB



MUHAMMAD BREY

ELEMENT	MINIMUM	ON-TARGET	STRETCH
GP	The 2024 salary and benefits are in line with those paid in the 2023 financial year		
STI	Nil	50% of stretch	120% – 150% of GP
LTI	Nil	The maximum number of performance shares and bonus shares granted in 2024 multiplied by the fair value on grant date	The maximum number of performance shares and bonus shares granted in 2024 multiplied by the share price on grant date

Note: Retention shares have not been included in the pay mix graphs as they do not form part of the ongoing packages for executive directors.

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

COMPONENTS OF REMUNERATION

	GUARANTEED PAY		VARIABLE PAY	
	BASIC SALARY	BENEFITS	STI	LTI
PURPOSE AND LINK TO STRATEGY	Attracts and retains talent	Improve employees' financial planning and security on retirement	Encourages a high-performance culture to promote the achievement of specific objectives. Motivates executive directors and key senior managers to achieve short-term strategic, financial and non-financial objectives in the one-year business plan	Attracts, retains, incentivises and rewards key management by linking performance to shareholder expectations This promotes the achievement of long-term objectives with the desired outcome of an appreciating share price and the payment of a regular dividend, thereby providing key employees with the opportunity to share in the success of the Group.
ELIGIBILITY	All staff employed by Sea Harvest	All permanent staff; benefit is dependent on grade	Permanent staff from senior management upwards	Executive directors and key senior management
REMUNERATION METHODOLOGY	Reviewed annually against market benchmarks	**Market-related benefits** • Pension/ provident fund • Motor vehicle allowances • Medical aid	Performance bonuses are dependent on financial performance (financial target) and achievement of agreed strategic and individual KPIs (functional target). Executives have a higher weighting on financial targets (70%) with 30% based on functional targets. Lower-level executives have a greater weighting on strategic and individual performance. The levels of remuneration that can be earned by the CEO and CFO are as follows: • On target: 60% – 75% of GP • Stretch target: 120% – 150% of GP based on a sliding scale for in-between performance In addition to setting targets at Group level, targets are also set at operating segment level, aligning performance and rewards of the relevant management.	**Retention shares** The *ad hoc* award of retention shares is a means of retaining certain executives and key senior management. Retention shares vest equally in the third, fourth and fifth years after issue, subject only to continued employment. **Performance shares and bonus shares** Allocations are on an annual basis subject to the Committee's discretion: • CEO: Performance shares 83% of GP and bonus shares 33% of the previous year's STI • CFO: Performance shares 67% of GP and bonus shares 33% of the previous year's STI • Senior management: Performance shares 11% – 61% of GP and bonus shares 33% – 67% of the previous year's STI

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

	GUARANTEED PAY		VARIABLE PAY	
	BASIC SALARY	BENEFITS	STI	LTI
PERFORMANCE CONDITIONS	Performance, i.e. meeting the requirements of the job	n/a	A single financial target (i.e. EBIT) is used for lower-level executives. Dual financial targets (i.e. EBIT (50%) and HEPS (50%)) were previously used for executive directors. This has been amended to a 100% HEPS target from 2025. Functional targets for the executive directors include • delivery of organic growth projects; • turning around non-performing businesses; • improving operational efficiencies; • capital expenditure and working capital management; • free cash flow generation; • debt reduction; • delivery of strategic acquisitions; • integrating operations; • integration of new acquisitions; • B-BBEE credentials and transformation; • retention of fishing rights and sustainability credentials; • building organisational capability; and • successful stakeholder engagement.	Refer to the table on page 137 for the performance conditions and characteristics of each share element

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

LTI ALLOCATION METHODOLOGY

LTI Eligibility Plan elements and performance conditions

1 RETENTION SHARES

EXECUTIVE DIRECTORS AND KEY SENIOR MANAGEMENT

- Awarded on an *ad hoc* basis, the retention share element of the FSP acts as a means to retain certain executive directors and key senior management.
- Retention shares vest equally in the third, fourth and fifth years after issue, subject only to continued employment.

2 2.1. PERFORMANCE SHARES (CONDITIONAL)

EXECUTIVE DIRECTORS AND KEY SENIOR MANAGEMENT

- The performance share element of the FSP rewards future Company and share performance.
- Performance shares are conditionally awarded to those individuals who can influence long-term strategic performance.
- Performance shares vest on the third anniversary of their award, the number vesting being tied to continued employment and the extent to which the Company has met preset performance criteria over the three-year period.
- A change in the weightings was effected from the 2025 issue of performance shares:
  - Transformation target decreases from 33.3% to 16.6%
  - ROCE target increases from 33.3% to 41.7%
  - HEPS target increases from 33.3% to 41.7%

Currently, vesting is

- governed by continued employment;
- weighted 41.7% (previously 33%) – the first performance criterion is the Group's average HEPS growth weighted for the main territories in which the Group operates:
  - If the average HEPS CAGR over the three-year period places it at the average CAGR in CPI, or better, then the targeted number (30% of the maximum number) of performance shares awarded will vest.
  - If the average HEPS CAGR over the three-year period places it at the average CAGR in CPI plus 3% or better, then the maximum number (100% of the maximum number) of performance shares awarded will vest.
  - If the average HEPS CAGR over the three-year period places it at the average CAGR in CPI or below, then all performance shares awarded relating to that HEPS tranche will be forfeited.
  - HEPS performance between any of the above points results in prorated vesting.
  - No retesting will be allowed, and any shares not vesting will lapse.
- weighted 16.6% (previously 33%) – the second performance criterion is the Group's transformation credentials:
  - If the Group achieves a Level 3 B-BBEE rating on the current scorecard, then the targeted number (50% of the maximum number) of performance shares awarded will vest.
  - If the Group achieves a Level 2 B-BBEE rating on the current scorecard, or better, then the targeted number (100% of the maximum number) of performance shares awarded will vest.
  - The transformation condition will have a binary profile.
  - No retesting will be allowed, and any shares not vesting will lapse.

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

2

2.1. PERFORMANCE SHARES (CONDITIONAL)

- weighted 41.7% (previously 33%), the third performance criterion measures the Group's average ROCE in relation to its WACC, weighted for the main territories in which the Group operates:
  - If the average ROCE over the three-year period places it at the average WACC over the three-year period, or better, then the targeted number (30% of the maximum number) of performance shares awarded will vest.
  - If the average ROCE over the three-year period places it at the average WACC over the three-year period plus 3%, or better, then the maximum number (100% of the maximum number) of performance shares awarded will vest.
  - If the average ROCE over the three-year period places it at the average WACC over the three-year period, or below, then all performance shares awarded relating to that HEPS tranche will be forfeited.
  - Average ROCE performance between any of the above points results in prorated vesting.
  - No retesting will be allowed, and any shares not vesting will lapse.

2.2 BONUS SHARES

EXECUTIVE DIRECTORS AND KEY SENIOR MANAGEMENT

- The bonus share element of the FSP provides share-based rewards for individual performance.
- Bonus shares are granted on an annual basis, the number of which is calculated with reference to the prior year's STI, thus ensuring a strong link to individual performance on an annual basis.
- Bonus shares vest at the end of the three-year period, subject to continued employment.

SHARE DILUTION LIMITS

In terms of the FSP, the maximum number of new shares to be issued under the FSP may not exceed 12 959 048 shares (3.61% of total shares in issue) and the maximum number of new shares to be issued under the FSP to any one individual may not exceed 3 887 714 shares (1.08% of total shares in issue).

MINIMUM SHAREHOLDING REQUIREMENTS

In line with best practice and to further align the interests of executives with those of shareholders, the Group has implemented an MSR Policy, effective from 1 March 2025. This policy mandates that the CEO, CFO, and other senior executives (as determined by the Committee), build and maintain a minimum level of personal shareholding in the Company by the measurement date. The measurement date is the last day of the financial year in the fifth year after the MSR Policy is approved by the Committee, the date on which an individual is designated an executive, or the date of employment or appointment as an executive.

The target minimum shareholding is set as a percentage of the executive's total guaranteed pay (TGP), with the CEO required to hold 200% of GP, the CFO 150% of GP, and other executives 100% of GP.

The MSR Policy ensures executives have a significant personal financial stake in the Company's long-term success, reinforcing their commitment to driving sustainable value for all shareholders.

EXECUTIVE DIRECTOR SERVICE CONTRACTS

Sea Harvest concludes permanent employment contracts with its executive directors (including the CEO), which can be terminated with notice periods of between one and three months. In the event of termination of employment, the Committee may elect to pay a departing executive director a cash lump sum in lieu of the notice period. The executive directors are not subject to any restraint of trade agreements. The retirement age for an executive director is 63 years.

In the event that an executive director's service contract is terminated due to operational reasons, the Group's obligation to make a severance payment will be governed by the provisions of the Labour Relations Act, No 66 of 1995.

In the event of an executive director ceasing employment as a "bad leaver", all STI and unvested LTI awards will be forfeited. In other circumstances, STI and LTI awards will be treated in accordance with the relevant plan rules.

Executive directors may not serve as non-executive directors in other companies without the express approval of the Board.

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

NON-EXECUTIVE DIRECTORS' FEES

Non-executive directors' fees are paid on an annual retainer basis to account for the responsibilities borne by them throughout the year. They are not paid an attendance fee per meeting. The fee structure is evaluated as requested based on non-executive director fee surveys and the results of benchmarking exercises.

Fees are reviewed annually, and proposed adjustments are tabled by the CEO for review by the Committee, which considers the proposed adjustments, taking into account remuneration increases across the Group. In order to preserve their independence, non-executive directors do not qualify for share options, nor do they participate in any variable pay incentive schemes. Where a non-executive director is appointed by a shareholder, the fee may be paid to the shareholder and not directly to the non-executive director.

The table to the right sets out the present and proposed non-executive director fees. The proposed fees will be tabled before shareholders for approval by special resolution at the AGM on Thursday, 30 May 2024.

The increase in non-executive director fees is in line with the increase in salaries for employees in 2024.

ROLE	1 JULY 2025 TO 30 JUNE 2026 (EXCLUDING VAT) R	1 JULY 2024 TO 30 JUNE 2025 (EXCLUDING VAT) R	CHANGE %
Board Chairperson	807 799	773 013	4.5
Board Lead Independent Director	381 718	365 280	4.5
Board member	305 374	292 224	4.5
Audit and Risk Committee Chairperson	198 495	189 947	4.5
Audit and Risk Committee member	105 599	101 052	4.5
Nomination and Remuneration Committees' Chairperson	152 687	146 112	4.5
Nomination and Remuneration Committees' member	76 344	73 056	4.5
Social, Ethics and Sustainability Committee Chairperson	152 687	146 112	4.5
Social, Ethics and Sustainability Committee member	76 344	73 056	4.5
Investment and Hedging Committee Chairperson	152 687	146 112	4.5



OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

3 IMPLEMENTATION REPORT

BACKGROUND

The implementation of the Remuneration Policy in the 2024 financial year is to be tabled at the AGM for a separate non-binding advisory vote by the Group's shareholders.

The Committee monitored the implementation of the Remuneration Policy during the financial year and is of the view that the Group's compliance with the policy has been satisfactory. This Implementation Report discloses the detailed information and figures pertaining to the application of the Remuneration Policy in relation to the relevant executive and non-executive directors. The Committee is satisfied that variable pay outcomes for the 2024 financial year are aligned with the Group's financial performance for the 2024 financial year (as contextualised in the CEO's Report).

The graph on page 141 compares the Group's STI paid to its operating profit. Experiencing its most challenging year since listing in 2017, the Sea Harvest Group was impacted by hake catch rates at historical lows, weak market conditions in abalone, continued soft global prawn pricing, and high interest rates. This was offset by strong demand and improved pricing in hake, a solid performance from the newly acquired Sea Harvest Pelagic business, and a firm result from Ladismith despite challenges from FMD, resulting in the Group delivering EBIT of R609 million (2023: R577 million, up 6%) and HEPS of 55 cents (2023: 100 cents, which included a once-off gain on purchased loans of R93 million that contributed 34 cents to HEPS).

The Committee is satisfied that remuneration is linked to long-term performance and value creation.

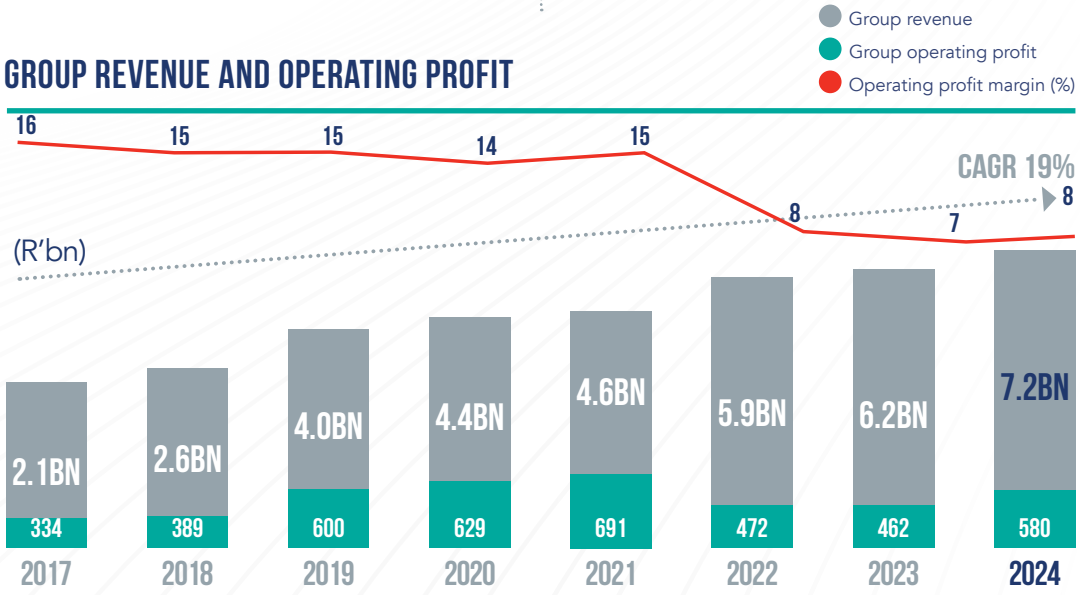
The Committee is also cognisant of the strides made by management in executing the Group's growth strategies, including from an organic growth perspective

- the Marel factory implementation;
- the acquisition of the Atlantic Peace and Harvest Mzansi freezer trawlers;
- the completion of the third powder factory and butter plant at Ladismith;
- the installation of the reverse osmosis plant at Saldanha;
- the installation of wind turbines at Buffeljags;
- the factory upgrades at Mooivallei, and the installation of the roller dryer powder plant, the solar PV power plant, and the cheese slicing line at Ladismith; and
- the securing of four hake trawlers to increase capacity and renew the fleet.

From an acquisitive growth perspective, the Group has executed on its strategy of building scale in each segment:

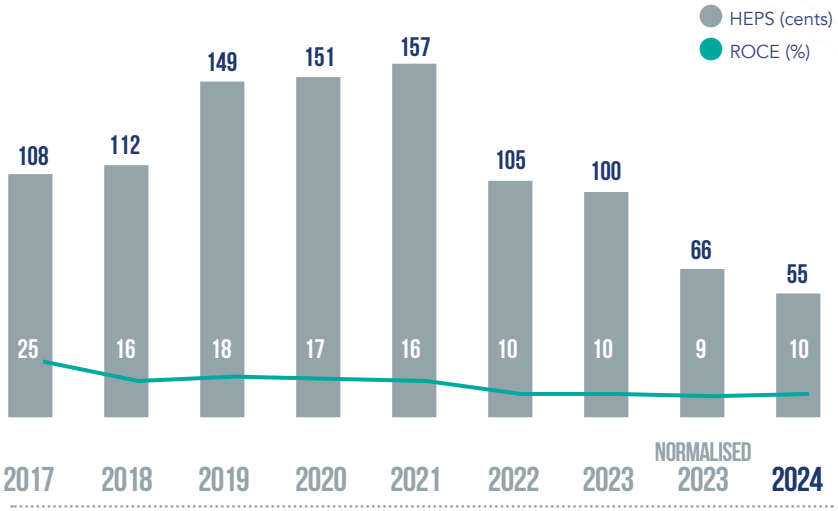
- Viking Fishing in 2018
- Viking Aquaculture in 2018
- Ladismith in 2019
- Sea Harvest Australia in 2019
- Mooivallei in 2021
- BMFG in 2021
- MG Kailis in 2022
- Sea Harvest Pelagic in 2024
- Aqunion in 2024

GROUP REVENUE AND OPERATING PROFIT

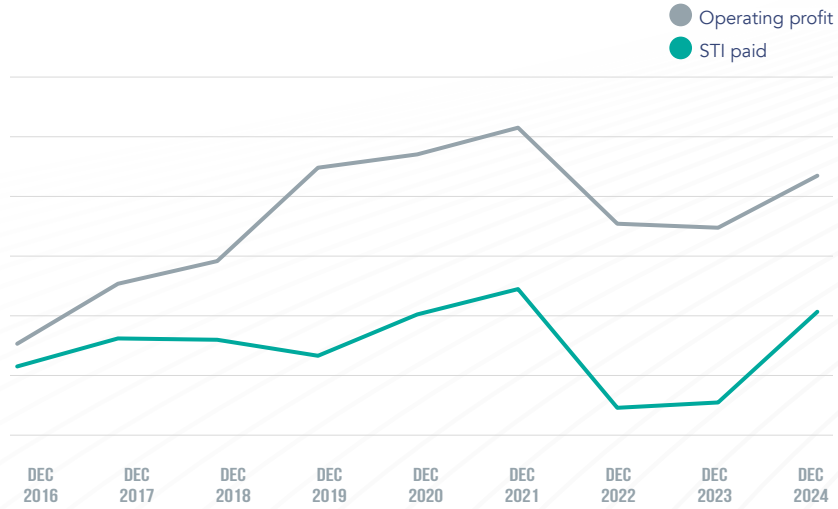


OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

GROUP REVENUE AND OPERATING PROFIT



STI PAID VS OPERATING PROFIT

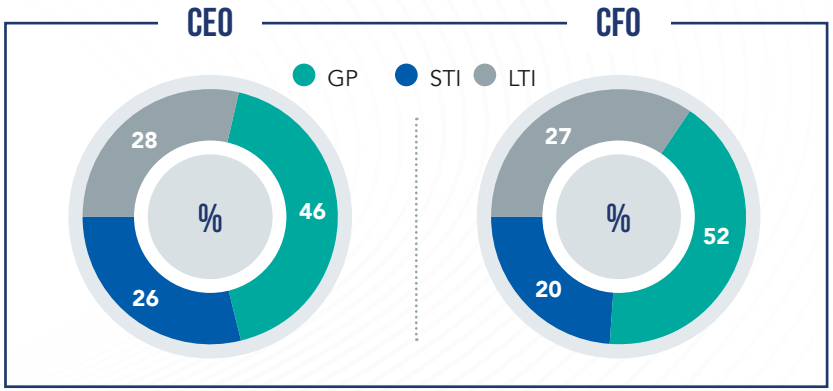


ACTUAL PAY MIX

The actual pay mix graph has been prepared on the same basis as the chart on page 134 that refers to pay mix. The actual pay mix graph represents GP, STI and LTI, and shows the actual mix achieved for the year ended 31 December 2024.

The actual pay mix for the Group CEO and Group CFO for the 2024 financial year is set out below.

The STI relates to the 2023 financial year, paid in February 2024 when the executives became unconditionally entitled to the incentive.



For the 2024 financial year, paid in February 2025, Muhammad Brey received R2.8 million and Felix Ratheb received R6.7 million in STI. This was based largely on functional targets achieved and the outstanding financial performance at Sea Harvest Pelagic, complemented by sound performances at Ladismith and Aqunion, and led to a partial triggering of the STI.

BENCHMARKING

Benchmarking of the CEO, CFO and executives' GP, STI and LTI was undertaken in 2024, with the Group retaining the services of Khokhela Remuneration Advisors to do so. Sea Harvest used the Remchannel survey to benchmark the salaries of employees. The Committee is satisfied that the advisors were independent and objective.

The outcome of the benchmarking showed that the GP for the CEO and CFO are in line with the 50th percentile of the market.

When comparing the on-target pay mix for the CEO and CFO against the market, the on-target LTI percentage is lower than most and the on-target STI percentage aligns.

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

GUARANTEED PAY

In line with the principle of fair and responsible remuneration, the Group monitors the internal wage gap and disparities in remuneration in the Group. The average increase in executive director remuneration is determined after consideration of the average increase in remuneration for management and general staff.

The average increase for waged staff was c.6.5% over the course of 2024.

The following increases were effected on 1 January 2025

	INCREASE	IMPLEMENTED
All salaried employees	2.9%	1 January 2025
CEO, CFO and executives	0%	1 January 2025

SHORT-TERM INCENTIVE

As set out in the Remuneration Policy, the STI for executive directors and senior management is based on a combination of financial targets and functional targets.

For the 2024 financial year, dual financial targets, being EBIT and HEPS, were used for executive directors, while EBIT was used for senior management.

Targets were also set at operating segment level, aligning the performance and rewards of the relevant management.

The functional targets for the executive directors for 2024 encompassed transformation, retention of fishing rights, efficiency initiatives, cash management, organic and acquisitive growth, acquisition integration, and building organisational capacity.

In total, 45% of the total possible 2024 STI for the Group was achieved. This was based largely on functional targets achieved and the outstanding financial performance at Sea Harvest Pelagic, complemented by sound performances at Ladismith and Aqunion, and led to a partial triggering of the STI.



OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

LONG-TERM INCENTIVE

The FSP was put in place when the Group listed on 23 March 2017.

The Group issues performance and bonus shares to executive directors, executives, and key senior management on an annual basis and retention shares on an *ad hoc* basis.

The tranche of performance shares qualifying for vesting during March 2024 vested in full. The tranche of performance shares qualifying for vesting during March 2025 vested 39%.

The current tranche of retention shares was issued in December 2021.

These shares vest equally in 2024, 2025 and 2026, subject only to continued employment, thereby retaining key management until 2026.

In addition, in line with the recommendation of King IV™, included is an indicative value of the unvested instruments as at 31 December 2024. For the bonus shares and retention shares, the indicative value is calculated as the number of instruments multiplied by the share price of R8.35 at year end.

For the performance shares, a valuation was performed based on assumptions as at 31 December 2024.

DATE OF AWARD	TYPE OF INSTRUMENT	NUMBER OF INSTRUMENTS AWARDED	SHARE PRICE ON DATE OF GRANT R	VESTING DATE	NUMBER OF INSTRUMENTS VESTED	NUMBER OF INSTRUMENTS LAPSED	CLOSING NUMBER OF UNVESTED INSTRUMENTS	INDICATIVE VALUE OF UNVESTED INSTRUMENTS R
		A	B		C	D	E=A-C-D	F
FELIX RATHEB								
Wednesday, 23 March 2022	Performance shares	391 627	13.70	Saturday, 22 March 2025	–	–	391 627	3 195 676
Monday, 13 March 2023	Performance shares	610 819	9.92	Thursday, 12 March 2026	–	–	610 819	4 703 306
Tuesday, 12 March 2024	Performance shares	737 641	8.62	Thursday, 11 March 2027	–	–	737 641	4 219 307
Wednesday, 23 March 2022	Bonus shares	228 256	13.70	Saturday, 22 March 2025	–	–	228 256	1 905 938
Monday, 13 March 2023	Bonus shares	52 320	9.92	Thursday, 12 March 2026	–	–	52 320	436 872
Tuesday, 12 March 2024	Bonus shares	169 101	8.62	Thursday, 11 March 2027	–	–	169 101	1 302 078
Wednesday, 1 December 2021	Retention shares*	1 250 436	13.05	Friday, 29 November 2024 Saturday, 29 November 2025 Sunday, 29 November 2026	416 812	–	833 624	6 960 760
MUHAMMAD BREY								
Wednesday, 23 March 2022	Performance shares	207 760	13.70	Saturday, 22 March 2025	–	–	207 760	1 695 322
Monday, 13 March 2023	Performance shares	302 849	9.92	Thursday, 12 March 2026	–	–	302 849	2 331 937
Tuesday, 12 March 2024	Performance shares	365 728	8.62	Thursday, 11 March 2027	–	–	365 728	2 091 964
Wednesday, 23 March 2022	Bonus shares	118 423	13.70	Saturday, 22 March 2025	–	–	118 423	988 832
Monday, 13 March 2023	Bonus shares	29 793	9.92	Thursday, 12 March 2026	–	–	29 793	248 772
Tuesday, 12 March 2024	Bonus shares	71 420	8.62	Thursday, 11 March 2027	–	–	71 420	596 357
Wednesday, 1 December 2021	Retention shares*	776 781	13.05	Friday, 29 November 2024 Saturday, 29 November 2025 Sunday, 29 November 2026	258 927	–	517 854	4 324 081

* *Vests equally 29 November 2024, 29 November 2025, and 29 November 2026*

OUR NOMINATION AND REMUNERATION COMMITTEES REPORT CONTINUED

MINIMUM SHAREHOLDING REQUIREMENTS

In line with the MSR Policy, effective from 1 March 2025, the target minimum shareholding is set as a percentage of the executive's total guaranteed package (TGP), with the CEO required to hold 200% of TGP and the CFO 150% of TGP. The measurement date is the last day of the financial year in the fifth year after the MSR Policy is approved by the Committee.

Progress towards achieving MSR (at 31 March 2025) is as follows

POSITION	TARGET MSR AS % OF TGP	ACTUAL MSR HOLDING AS % OF TGP HELD	PROGRESS TO ACHIEVING MSR
CEO	200%	56%	28%
CFO	150%	45%	30%



EXECUTIVE REMUNERATION
FOR THE YEAR ENDED 31 DECEMBER 2024

Remuneration of executive directors and prescribed officers is set out in full in **note 38** of the AFS.

DIVERSITY TARGETS

The Committee set the following diversity targets during the 2017 financial year and reviewed these targets during the 2024 financial year.

Transformation – ACI targets

The Committee agreed that 70% of the Board composition should be made up of ACI designated groups within a period of three years and achieved a score of 70% at the end of the 2024 financial year.

Gender – female targets

The Committee agreed that 30% of the Board composition should be female within a period of three years, with the Board achieving a score of 30% at the end of the 2024 financial year.

APPROVAL

This report was approved by the Nomination and Remuneration Committees of Sea Harvest Group Limited.



April 2025

ANDRÉ HANEKOM
CA(SA)

Chairperson of the Nomination and Remuneration Committees