

King IV Application Register: 2023

PRINCIPLE	APPLICATION	EXPECTED GOVERNANCE OUTCOME	COMPLIANCE
Leadership, ethics and corporate citizenship			
Leadership			
Principle 1: The governing body should lead ethically and effectively.	<p>The directors hold each other accountable for decision-making based on integrity, competence, responsibility, fairness and transparency through their commitment to lead the company consistent with the company's values.</p> <p>The Chair oversees this process on an ongoing basis.</p> <p>The Board exhibits the requisite levels of integrity, responsibility, accountability, fairness and transparency, set the strategic direction of the Company and acts in the best interest of the Group and all shareholders.</p> <p>Through its various subcommittees, the Board is confident that the combined inputs of its committees conforms to this principle.</p>	Ethical culture Legitimacy	Applied
Organisational Ethics			
Principle 2: The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	<p>The Social and Ethics Committee comprises majority independent non-executive directors.</p> <p>The Committee ensures conformity with this principle through the Code of Ethics and Business Conduct as well as the Disciplinary Policy that sets out the disciplinary procedure and sanctions to be implemented for its contravention.</p> <p>The implementation and execution of this Code and related policies are delegated to management.</p> <p>A whistle-blowing mechanism is in place to assist with the identification of possible unethical behaviour.</p>	Ethical culture Legitimacy	Applied
Responsible corporate citizenship			
Principle 3: The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	<p>The purpose and values of the company as well as its conduct, are congruent with its</p>	Ethical culture Legitimacy Good performance	Applied

	<p>responsibility as a corporate citizen.</p> <p>The Board has delegated responsibility for monitoring the company's overall responsible corporate citizenship performance to the social and ethics committee.</p> <p>The scope of the committee's mandate in this regard includes the relevant activities of the Group in the workplace, in the economy, society and the environment.</p> <p>The Board, through the social and ethics committee and the audit and risk committee oversees corporate citizenship and ensures statutory and regulatory compliance including compliance with internal protocols.</p>		
Strategy performance and reporting			
<p>Principle 4: The governing body should appreciate that the organisation's core purposes, its risks and opportunities, strategy and business model, performance and sustainable development are all inseparable elements of the value creation process.</p>	<p>The Board oversees strategy formulation and execution and sets performance targets, which are agreed upon with management.</p> <p>Standing subcommittees to assist the Board in discharging its duties and responsibilities are established. Together with management, the Board reviews the strategy.</p>	<p>Good performance, Effective control</p>	<p>Applied</p>
Reporting			
<p>Principle 5: The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and short, medium and long-term prospects.</p>	<p>The Board keeps its shareholders updated in line with the JSE Listings Requirements and ensures integrity of external reports.</p> <p>Annual Financial Statements (AFS), trading updates and announcements are published in accordance with the JSE Listings Requirements and met the legitimate and reasonable information needs of material stakeholders.</p> <p>The Board, assisted by its committees, verifies that all committee reports are compliant with regulatory and statutory reporting requirements and meet the reasonable and legitimate needs of stakeholders.</p> <p>The Board, assisted by the audit and risk and social and ethics committees, ensures that an integrated report incorporating sustainable development issued is in line with the Companies Act</p>	<p>Effective control, Good performance and Legitimacy.</p>	<p>Applied</p>

	<p>and the JSE listings requirements.</p> <p>The audit and risk committee approves the basis for determining appropriate material for inclusion in reports.</p> <p>The Board, assisted by the audit and risk committee, certifies the integrity statements and other external reports.</p>		
Primary role and responsibilities of the governing body			
<p>Principle 6: The governing body should serve as the focal point and custodian of corporate governance in the organisation.</p>	<p>The Board serves as the focal point and custodian of corporate governance. Its role and responsibilities and the way it executes its duties and decision-making are set out in the MoI, Board charter and the terms of reference of all Board subcommittees as well as the Companies Act.</p> <p>The governing body is satisfied that it has fulfilled its responsibilities in accordance with the MOI and the Companies Act.</p>	<p>Effective control, Good performance and Legitimacy</p>	<p>Applied.</p>
Composition of governing body			
<p>Principle 7: The governing body should comprise 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 delegates to the Remuneration and Nominations Committee the nomination, election and the appointment process of directors, having set the criteria for the selection of candidates to serve on the Board.</p> <p>The Board, through the Remuneration and Nominations Committee, ensures that the composition of the Board comprises the appropriate mix of knowledge, skills and experience sufficient to deliver on strategies and create long-term shareholder value.</p> <p>The Board is currently comprised of majority independent non- executive directors.</p> <p>The Board continuously strives to comply with best practice and recommendations of the King Report. Ideal Board composition is an ongoing Board discussion to regularise the status quo.</p> <p>The CEO and CFO are members of the Board.</p>	<p>Good performance Legitimacy and Effective control</p>	<p>Applied</p>

	<p>The Board has met its set diversity targets as per Board-approved policy.</p> <p>Board appointment process</p> <p>The process is in place and is conducted in terms of the Board-approved appointment to the Board policy including the gender Board diversity policy.</p> <p>Independence and conflicts</p> <p>Declarations of interests are tabled at every Board meeting.</p> <p>The Board members formally update the register of directors' interests annually or when a change is made.</p> <p>The independent non – executive directors declare their independence annually to the Chair of the Board</p> <p>Chair of the Board</p> <p>The Chair is an independent non- executive director.</p> <p>The Chair is a member of the audit and risk committee due to the limited number of independent non – executive directors on the Board.</p> <p>The Chair is a member of the remuneration and nominations and social and ethics committees.</p> <p>Chairs of subcommittees</p> <p>All subcommittees are chaired by independent non-executive directors except for the remuneration and nominations committee.</p>		
<p>Committees of the governing body</p>			
<p>Principle 8: The governing body 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.</p>	<p>The Board delegates particular roles to the subcommittees of the Board. The subcommittees operate under Board-approved terms of references, which set out the nature and extent of the responsibilities delegated and decision-making authority.</p> <p>The Board ensures that these subcommittees are well resourced with a balance of skills and expertise.</p> <p>The subcommittees of the Board, which meet independently of each other, are the following: Audit and risk</p>	<p>Good performance Legitimacy and Effective control</p>	<p>Applied.</p>

	<p>Committee, Remuneration and Nominations Committee, Social and Ethics Committee and Technical Committee.</p> <p>Each committee has a minimum of three members and sufficient capability and capacity to function effectively. Any member of the Board is entitled to attend any committee meeting.</p> <p>Audit and risk committee The committee provides independent oversight of the assurance functions and on the integrity of the AFS and other external reports. The committee oversees risks that may affect the integrity of external reports. The audit and risk committee is satisfied that it has the necessary financial literacy, skills and experience, and that all members are independent non-executive directors. The Chair is an independent nonexecutive director. The committee provides independent review and oversight of the risks in the business. The committee provides independent review and oversight of the IT function and the IT risks. The committee monitors all legal actions in which the company may be, or is involved.</p> <p>Remuneration and Nominations committee The committee has oversight of remuneration governance and nomination process. The Chair of the committee is a nonexecutive director of the Board and is not independent. The Board has resolved not to change the current composition. The committee is comprised of majority independent non - executive directors.</p> <p>Social and ethics committee The Chair of the committee is an independent non-executive director of the Board. The committee is comprised of three members, one being a</p>		
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	<p>member of the executive committee.</p> <p>Technical committee The committee comprises three members, one being an executive director and the other two nonexecutive directors.</p>		
Evaluation of performance of the governing body			
Principle 9: The governing body should ensure that the evaluation of its own performance and that of its committees, its Chairperson and its individual members support continued improvement in its performance and effectiveness.	<p>The Board conducts an annual basis formal evaluation of the Board, its committees, the Chair and individual directors. The Chair, assisted by the company secretary, conducts the Board's evaluation process.</p> <p>The Board assisted by the company secretary conducted an internal evaluation of the Board, its committees, the Chairs of Board committees.</p>	Good performance, Legitimacy and Effective control	Applied
Appointment and delegation to management			
Principle 10: The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.	<p>The Board appointed a CEO, responsible for leading strategy implementation and who provides progress thereof.</p> <p>The delegation of authority matrix, which details the powers and matters reserved for itself and those to delegated to the CEO and management continued to be applied.</p> <p>The Board ensures that key management functions are led by a competent and appropriately authorised individual and are adequately resourced.</p>	Good performance Legitimacy and Effective control	Applied.
Governance functional areas			
Principle 11: The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	<p>The Board delegates this authority to the Audit and risk Committee. The audit and risk committee oversees the risk management processes within the company and reports back to the Board. The audit and risk Committee has oversight of the integrity and effectiveness of the risk management processes. A comprehensive strategic and operational risk management process is in place.</p> <p>The audit and risk committee entrusted management to continuously identify, assess, mitigate and manage risks within the existing operating environment. Mitigating</p>	Effective control Good performance	Applied.

	controls are in place to address these risks, which are monitored on a continuous basis.		
Technology and information governance			
Principle 12: The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	The Board, together with the audit and risk committee, oversees the governance of IT.	Good performance Effective control	Applied.
Compliance governance			
Principle 13: The governing body 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.	<p>The Board delegates this authority to the Audit and risk Committee. The Board approves policies that articulate and give effect to its direction on compliance. The governance framework and Compliance Policy assist the Group with its compliance requirements.</p> <p>The Board, with the assistance of the audit and risk committee, ensures that the company complies with applicable laws, adopted non-binding rules, codes and standards.</p> <p>The company has identified all laws, regulatory requirements, codes and standards that impact its operations.</p> <p>The Board has delegated the responsibility for implementing compliance to management.</p>	Ethical culture Legitimacy Effective control Good performance	Applied.
Remuneration Governance			
Principle 14: The governing body 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.	<p>The Board, assisted by the remuneration and nominations committee, ensures that non – executive directors, executives and general staff are remunerated fairly and responsibly with a view to promoting the creation of value in a sustainable manner.</p> <p>The company's reward and remuneration policy is reviewed by the remuneration and nominations committee and approved by the Board. The policy is designed to attract and retain human capital, promote the achievement of strategic objectives, positive outcomes, an ethical culture and responsible corporate citizenship.</p> <p>The remuneration and nomination committee oversees the implementation of the Policy.</p>	Ethical culture Good performance Legitimacy Effective control	Applied.

Assurance			
Principle 15: The governing body 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 combined assurance process that is monitored by the audit and risk committee provides an analysis of all the assurance activities within the Group. The Board, executive management and senior management identify additional areas that may require assurance on an ongoing basis.	Effective control Good performance Ethical culture Legitimacy	Applied.
Stakeholders			
Principle 16: In the execution of its governance roles and responsibilities, the governing body 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.	<p>The Board, assisted by the social and ethics committee together with management, has identified all the key stakeholders.</p> <p>The CEO is mandated to achieve effective stakeholder relationships with material stakeholders and to balance their legitimate and reasonable needs, interests and expectations with that of the company.</p> <p>Management proactively encourages engagement with stakeholders.</p> <p>Management has developed a stakeholder plan based on Board- approved stakeholder management policy.</p> <p>The company affirms equal treatment of all shareholders and the protection of minority interests.</p>	Legitimacy Good performance	Applied.