

CORPORATE GOVERNANCE

Area	Requirement	Status	Comments
1. Ethical leadership and corporate citizenship			
	1.1 The board should provide effective leadership based on an ethical foundation	Applied	
	1.2. The board should ensure that the company is and is seen to be a responsible corporate citizen	Applied	
	1.3. The board should ensure that the company's ethics are managed effectively	Applied	
2. Boards and directors			
Role and function of the board	2.1. The board should act as the focal point for and custodian of corporate governance	Applied	
	2.2. The board should appreciate that strategy, risk, performance and sustainability are inseparable	Applied	
	2.3. The board should provide effective leadership based on an ethical foundation	Applied	
	2.4. The board should ensure that the company is and is seen to be a responsible corporate citizen	Applied	
	2.5. The board should ensure that the company's ethics are managed effectively	Applied	
	2.6. The board should ensure that the company has an effective and independent audit committee	Applied	
	2.7. The board should be responsible for the governance of risk	Applied	delegated to Risk and Audit Committees
	2.8. The board should be responsible for information technology (IT) governance	Applied	delegated to Risk Committee
	2.9. The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards	Applied	
	2.10. The board should ensure that there is an effective risk-based internal audit	Applied	
	2.11. The board should appreciate that stakeholders' perceptions affect the company's reputation	Applied	
	2.12. The board should ensure the integrity of the company's integrated report	Applied	
	2.13. The board should report on the effectiveness of the company's system of internal controls	Applied	
	2.14. The board and its directors should act in the best interests of the company	Applied	
	2.15. The board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed as defined in the Act	Applied	
	2.16. The board should elect a chairman of the board who is an independent non-executive director. The CEO of the company should not also fulfil the role of chairman of the board	Applied	While the Chairman satisfies the King III definition of independent non-executive director, we have a lead independent director
	2.17. The board should appoint the chief executive officer and establish a framework for the delegation of authority	Applied	
Composition of the board	2.18. The board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent.	Applied	
Board appointment process	2.19 Directors should be appointed through a formal process	Applied	
Director development	2.20. The induction of and ongoing training and development of directors should be conducted through formal processes	Applied	
Company secretary	2.21 The board should be assisted by a competent, suitably qualified and experienced company secretary	Applied	
Performance assessment	2.22 The evaluation of the board, its committees and the individual directors should be performed every year	Applied	
Board committees	2.23. The board should delegate certain functions to well-structured committees but without abdicating its own responsibilities	Applied	
Group boards	2.24. A governance framework should be agreed between the group and its subsidiary boards	Applied	
of directors and senior	2.25. Companies should remunerate directors and executives fairly and responsibly	Applied	

	2.26. Companies should disclose the remuneration of each individual director and certain senior executives	Applied	
	2.27. Shareholders should approve the company's remuneration policy	Applied	
3. Audit committees			
	3.1. The board should ensure that the company has an effective and independent audit committee	Applied	
Membership and resources of the audit committee	3.2. Audit committee members should be suitably skilled and experienced independent non-executive directors	Applied	
	3.3. The audit committee should be chaired by an independent non-executive director	Applied	
Responsibilities of the audit committee	3.4. The audit committee should oversee integrated reporting	Applied	
	3.5. The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities	Applied	
Internal assurance providers	3.6. The audit committee should satisfy itself of the expertise, resources and experience of the company's finance function	Applied	
	3.7. The audit committee should be responsible for overseeing of internal audit	Applied	
	3.8. The audit committee should be an integral component of the risk management process	Applied	
External assurance providers	3.9. The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process	Applied	
Reporting	3.10. The audit committee should report to the board and shareholders on how it has discharged its duties	Applied	
	4.2. The board should determine the levels of risk tolerance	Applied	
	4.3. The risk committee or audit committee should assist the board in carrying out its risk responsibilities	Applied	
Management's responsibility for risk management	4.4. The board should delegate to management the responsibility to design, implement and monitor the risk management plan	Applied	Role being fulfilled in line with the framework that is under development
Risk assessment	4.5. The board should ensure that risk assessments are performed on a continual basis	Applied	
	4.6. The board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks	Applied	
Risk response	4.7. The board should ensure that management considers and implements appropriate risk responses	Applied	
Risk monitoring	4.8. The board should ensure continual risk monitoring by management	Applied	
Risk assurance	4.9. The board should receive assurance regarding the effectiveness of the risk management process	Applied	
Risk disclosure	4.10. The board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders	Applied	
5. The governance of information technology			
	5.1. The board should be responsible for information technology (IT) governance	Applied	
	5.2. IT should be aligned with the performance and sustainability objectives of the company	Applied	
	5.3. The board should delegate to management the responsibility for the implementation of an IT governance framework	Applied	

	5.4. The board should monitor and evaluate significant IT investments and expenditure	Applied	
	5.5. IT should form an integral part of the company's risk management	Applied	
	5.6. The board should ensure that information assets are managed effectively	Applied	
	5.7. A risk committee and audit committee should assist the board in carrying out its IT responsibilities	Applied	
6. Compliance with laws, rules, codes and standards			
	6.1. The board should ensure that the company complies with applicable laws and considers adherence to nonbinding rules, codes and standards	Applied	
	6.2. The board and each individual director should have a working understanding of the effect of the applicable laws, rules, codes and standards on the company and its business	Applied	
	6.3. Compliance risk should form an integral part of the company's risk management process	Explained	Process will be formalised through the use of a compliance tool and related processes
	6.4. The board should delegate to management the implementation of an effective compliance framework and processes	Applied	
7. Internal audit			
need for and role of internal	7.1. The board should ensure that there is an effective risk based internal audit	Applied	
Internal audit's approach and plan	7.2. Internal audit should follow a risk based approach to its plan	Applied	
	7.3. Internal audit should provide a written assessment of the effectiveness of the company's system of internal controls and risk management	Applied	
	7.4. The audit committee should be responsible for overseeing internal audit	Applied	
Internal audit's status in the company	7.5. Internal audit should be strategically positioned to achieve its objectives	Applied	
8. Governing stakeholder relationships			
	8.1. The board should appreciate that stakeholders' perceptions affect a company's reputation	Applied	
	8.2. The board should delegate to management to proactively deal with stakeholder relationships	Applied	
	8.3. The board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the company	Applied	
	8.4. Companies should ensure the equitable treatment of shareholders	Applied	
	8.5. Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence	Applied	
Dispute resolution	8.6. The board should ensure that disputes are resolved as effectively, efficiently and expeditiously as possible	Applied	
9. Integrated reporting and disclosure			
Transparency and accountability	9.1. The board should ensure the integrity of the company's integrated report	Explained	Whilst the JSE has included elements of integrated reporting into its 2011 AR, the plan is to work towards a formalised integrated report over the next two to three years
	9.2. Sustainability reporting and disclosure should be integrated with the company's financial reporting	Applied	
	9.3. Sustainability reporting and disclosure should be independently assured	Explained	The board will consider the appropriateness of the required independent assurance in due course