

# KING III CORPORATE GOVERNANCE REGISTER

for the year ended 31 March 2017

Chapter	King III Principle	Recommended Practice	Applied / Partially Applied / Explain
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## 1 ETHICAL LEADERSHIP AND CORPORATE CITIZENSHIP

### King III Principle 1.1 - The board should provide effective leadership based on an ethical foundation

#### Responsible leadership

	Ethical leaders should:	
1.1.1	direct the strategy and operations to build a sustainable business	Applied
1.1.2	consider the short- and long-term impacts of the strategy on the economy, society and the environment;	Applied
1.1.3	do business ethically;	Applied
1.1.4	not compromise the natural environment; and	Applied
1.1.5	take account of the company's impact on internal and external stakeholders	Applied

#### The board's responsibilities

	The board should:	
1.1.6	be responsible for the strategic direction of the company and for the control of the company	Applied
1.1.7	set the values to which the company will adhere formulated in its code of conduct	Applied
1.1.8	ensure that its conduct and that of management aligns to the values and is adhered to in all aspects of its business; and	Applied
1.1.9	promote the stakeholders-inclusive approach of governance	Applied

#### Ethical foundation

	The board should:	
1.1.10	ensure that all deliberations, decisions and actions are based on the four values underpinning good governance; and	Applied
1.1.11	ensure that each director adheres to the duties of a director	Applied

### King III Principle 1.2 – The board should ensure the company is and is seen to be a responsible corporate citizen

	The board should:	
1.2.1	consider not only financial performance but also the impact of the company's operations on society and the environment;	The Group's operations do not pose a risk to the environment and therefore the impact of operations on the environment has not been measured as it is considered to be immaterial. The Group is of the view that its impact on society is positive, given that the Group focusses on vocational training and new employment through its operating divisions.
1.2.2	protect, enhance and invest in the well being of the economy, society and the environment;	Primeserv is proud of the direct and indirect contributions it makes and especially the CSI initiatives.
1.2.3	ensure that the company's performance and interactions with stakeholders is guided by the Constitution and the Bill of Rights;	The Board is particular about corporate governance and compliance with legislation, with these matters being part of the standing agenda and is focussed on transparency and proper disclosure, not only in regard to shareholders, but to all stakeholders, including employees and clients. A dedicated Social and Ethics Committee, with its own charter, has been established.
1.2.4	ensure that collaborative efforts with stakeholders are embarked upon to promote ethical conduct and good corporate citizenship;	The Group has a documented Code of Ethics that defines the conduct expected.
1.2.5	ensure that measurable corporate citizenship programmes are implemented; and	Corporate citizenship is addressed as part of the staff induction programmes conducted for all new employees. The Group also ensures that it meets relevant measures for Corporate Social Investment and enterprise development in its B-BBEE initiatives.
1.2.6	ensure that management develops corporate citizenship policies.	As above

### King III Principle 1.3 – The board should ensure that the company's ethics are managed effectively

	The board should ensure that:	
1.3.1	it builds and sustains an ethical corporate and ethical culture in the company	Applied
1.3.2	it determines the ethical standards which should be clearly articulated and ensures that the company takes measures to achieve adherence to them in all aspects of the business	Applied
1.3.3	adherence to ethical standards is measured;	Applied
1.3.4	internal and external ethics performance is aligned around the same ethical standards	Applied
1.3.5	ethical risks and opportunities are incorporated in the risk management process	Applied
1.3.6	a code of conduct and ethics-related policies are implemented;	Applied
1.3.7	compliance with the code of conduct is integrated in the operations of the company; and	Applied
1.3.8	the company's ethics performance should be assessed, monitored, reported and disclosed.	Anonymous ethics surveys are conducted with the results assessed by the Social and Ethics Committee and the Board.

## 2 BOARDS AND DIRECTORS

### King III Principle 2.1 – The board should act as the focal point for and custodian of corporate governance

#### Role and function of the board

	The board should:	
2.1.1	have a charter setting out its responsibilities;	The Board deals with corporate governance on a regular basis
2.1.2	meet at least four times per year;	Applied
2.1.3	monitor the relationship between management and the stakeholders of the company; and	Applied
2.1.4	ensure that the strategy is aligned with the purpose of the company survives and thrives	Applied

### King III Principle 2.2 – The Board should appreciate that strategy, risk, performance and sustainability are inseparable

	The board should:	
2.2.1	inform and approve the strategy;	Applied
2.2.2	ensure that strategy is aligned with the purpose of the company, the value drivers of its business and the legitimate interests and expectations of its stakeholders	Applied
2.2.3	satisfy itself that the strategy and business plans are not encumbered by risks that have not been thoroughly examined by management; and	Applied
2.2.4	ensure that the strategy will result in sustainable outcomes taking account of people, planet and profit.	A dedicated strategy meeting is held at least once every year.

# KING III CORPORATE GOVERNANCE REGISTER

for the year ended 31 March 2017

Chapter	King III Principle	Recommended Practice	Applied / Partially Applied / Explain
	<b>King III Principle 2.3 – The board should provide effective leadership based on an ethical foundation</b>		
		Refer to principle 1.1.	
	<b>King III Principle 2.4 – The board should ensure that the company is and is seen to be a responsible corporate citizen</b>		
		Refer to principle 1.2.	
	<b>King III Principle 2.5 – The board should ensure that the company's ethics are management effective</b>		
		Refer to principle 1.3.	
	<b>King III Principle 2.6 – The board should ensure that the company has an effective and independent audit committee</b>		
		Refer to chapter 3.	
	<b>King III Principle 2.7 – The board should be responsible for the governance of risk</b>		
		Refer to chapter 4.	
	<b>King III Principle 2.8 – The board should be responsible for information technology (IT) governance</b>		
		Refer to chapter 5.	
	<b>King III Principle 2.9 – The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standard</b>		
		Refer to chapter 6.	
	<b>King III Principle 2.10 – The board should ensure that there is an effective risk-based internal audit</b>		
		Refer to chapter 7.	
	<b>King III Principle 2.11 – The board should appreciate that stakeholders' perceptions affect the company's reputation</b>		
		Refer to chapter 8.	
	<b>King III Principle 2.12 – The board should ensure the integrity of the company's integrated report</b>		
		Refer to chapter 9.	
	<b>King III Principle 2.13 – The board should report on the effectiveness of the company's system of internal control</b>		
		Refer to chapters 7 and 9.	
	<b>King III Principle 2.14 – The board and its directors should act in the best interest of the company</b>		
	2.14.1	The board must act in the best interest of the company.	Applied
	2.14.2	Directors must adhere to the legal standards of conduct.	Applied
	2.14.3	Directors or the board should be permitted to take independent advice in connection with their duties following an agreed procedure.	Applied
	2.14.4	Real or perceived conflicts should be disclosed to the board and managed	Applied
	2.14.5	Listed companies should have a policy regarding dealing in securities by directors, officers and selected employees.	Applied
	<b>King III Principle 2.15 – The board should consider business rescue proceedings or other turnaround mechanism as soon as the company is financially distressed as defined in the Act</b>		
		The board should ensure that:	
	2.15.1	the solvency and liquidity of the company is continuously monitored;	Applied
	2.15.2	its consideration is fair to save a financially distressed company either by way of workouts, sale, merger, amalgamation, compromise with creditors or business rescue;	Not applicable
	2.15.3	a suitable practitioner is appointed if business rescue is adopted; and	Not applicable
	2.15.4	the practitioner furnishes security for the value of the assets of the company	Not applicable
	<b>King III Principle 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 the chairman of the board</b>		
		The board should ensure that:	
	2.16.1	The members of the board should elect a chairman on an annual basis	Applied
	2.16.2	The chairman should be independent and free of conflict upon appointment	Applied
	2.16.3	A lead independent director should be appointed in the case where an executive chairman is appointed or where the chairman is not independent or conflicted.	Not applicable
	JSE 3.84(c)	Main Board listed companies must have a CEO and a chairman and these positions must not be held by the same person.	Applied
	2.16.4	ALTx issuers are not required to separate the appointment of the CEO and chairman	
	2.16.4	The appointment of the chairman, who is not independent, should be justified in the integrated report.	Not applicable
	2.16.5	The role of the chairman should be formalised.	Applied
	2.16.6	The chairman's ability to add value, and his performance against what is expected of his role and function, should be assessed every year.	Applied
	2.16.7	The CEO should not become the chairman until three years have lapsed	Not applicable
	2.16.8	The chairman together with the board should consider the number of outside chairmanships held.	Applied
	2.16.9	The board should ensure a succession plan for the role of the chairman.	No succession plan has been formalised albeit that there are other non-executives with sufficient skills and knowledge that could be appointed to the role should the need arise
	<b>King III Principle 2.17 – The board should appoint the chief executive officer and establish a framework for the delegation of authority</b>		
		The board should:	Applied
	2.17.1	appoint the CEO;	Applied
	2.17.2	provide input regarding senior management appointments;	Applied
	2.17.3	define its own level of materiality and approve a delegation of authority framework	Applied
	2.17.4	ensure that the role and function of the CEO is formalised and the performance is evaluated against the criteria specified; and	Applied
	2.17.5	ensure succession planning for the CEO and other senior executives and officers is in place	As part of the continual risk review, succession matters are addressed.

# KING III CORPORATE GOVERNANCE REGISTER

for the year ended 31 March 2017

Chapter	King III Principle	Recommended Practice	Applied / Partially Applied / Explain
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## King III Principle 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

### Composition of the board

2.18.1	The majority of board members should be non-executive directors	Applied
2.18.2	The majority of the non-executive directors should be independent	Applied
2.18.3	When determining the number of directors serving on the board, the knowledge, skills and resources required for conducting the business of the board should be considered	Applied
2.18.4	Every board should consider whether its size, diversity and demographics make it effective.	Applied
2.18.5	Every board should have a minimum of two executive directors of which one should be the CEO and the other the director responsible for finance	Applied
2.18.6	At least one third of the non-executive directors should rotate every year	Applied
2.18.7	The board, through its nomination committee, should recommend the eligibility of prospective directors.	Applied
2.18.8	Any independent non-executive directors serving more than 9 years should be subjected to a rigorous review of his independence and performance by the board	Applied
2.18.9	The board should include a statement in the integrated report regarding the assessment of the independence of the independent non-executive directors	Applied
2.18.10	The board should be permitted to remove any director without shareholder approval	Applied
JSE 3.84(f)	Capacity of directors in relation to executive, non-executive and independent must be categorised and disclosed in the relevant documentation. <i>JSE Guidance: The provisions in this section must be applied in determining the relevant capacities of the directors. This determination must be taken into account in the composition of the respective committees</i>	Directors involved in the day-to-day management of the business are classified as executive. All other directors are classified as non-executive. An independent director is one who does not have a shareholding exceeding 5% in the company and who is not dependent, financially or otherwise, on the Company.
JSE 3.84(g)	Issuers must have a full time executive financial director. <i>JSE Guidance: Issuers must have a full time appointed executive financial director and the JSE will only consider part time appointment in exceptional circumstances. Full time appointment means that the director must not hold any other position on the board or have other commitments that would be considered as full or part time employment.</i>	The Company employs a full time executive Financial Director.

## King III Principle 2.19 – Directors should be appointed through a formal process

### Board appointment process

2.19.1	A nomination committee should assist with the process of identifying suitable members of the board.	Applied
2.19.2	Background and reference checks should be performed before the nomination and appointment of directors.	Applied
2.19.3	The appointment of non-executives directors should be formalised through a letter of appointment. [The Code states letter of appointment but the King Report in chapter 2 (87) states: "The appointment of a non-executive director should be formalised in an agreement between the company and the director. The agreement should include a director's code of conduct to be complied with and the contribution that is expected from the specific individual. The agreement should also set out the remuneration for holding office as director and the terms of directors' and officers' liability insurance to be provided."]	No new appointments were made during the reporting period.
2.19.4	The board should make full disclosure regarding individual directors to enable shareholders to make their own assessment of directors.	Applied
JSE 3.84(a)	There must be a policy detailing the procedures for the appointment to the board. <i>JSE Guidance: This policy must be clearly articulated and disclosed in the relevant documentation.</i>	Shareholders appoint non-executive directors at the annual general meeting although interim Board appointments may be made between annual general meetings. Interim appointees may not serve beyond the following annual general meeting. Non-executive directors serve until such time as, in accordance with the Company's Memorandum of Incorporation, they are required to retire by rotation, at which point they may seek re-election.
JSE 3.84(a)	Appointments must be formal and transparent and a matter for the board as a whole, assisted where appropriate by a nomination committee. <i>JSE Guidance: This must be reflected in the</i>	Appointments are referred to the Remuneration and Nominations Committee for vetting before being considered by the full Board.
JSE 3.84(a)	Where appropriate, the issuer may appoint a nomination committee. <i>JSE Guidance: Issuers must consider, given the size and composition of their board, whether it requires such a committee.</i>	The Group has incorporated the Nomination Committee into the Remuneration and Nominations Committee.
JSE 3.84(a)	If a nomination committee is appointed, such committee must only constitute non-executive directors and the majority must be independent. The committee must be chaired by the	The Committee comprises of two non-executive directors.
JSE 3.84(b)	There must be a policy evidencing a clear balance of power and authority at board level to ensure that no one director has unfettered powers. <i>JSE Guidance: This policy must clearly</i>	The Board comprises of 2 executive and 4 non-executive directors with no one non-executive director being a member of all committees.
JSE 3.84(e)	Brief CV of each director standing for election or re-election must accompany relevant notice of meeting. <i>JSE Guidance: CV must contain sufficient information to allow shareholders to make an informed assessment of the director.</i>	A short CV of each director is contained in the integrated report and is specifically referenced in the notice of AGM in respect of each director seeking election/re-election to the Board.

## King III Principle 2.20 – The induction of an ongoing training and development and training of directors should be conducted through formal processes:

### Director development

	The board should ensure that:	
2.20.1	a formal induction programme is established for new directors;	Applied
2.20.2	inexperienced directors are developed through mentorship programmes	Applied
2.20.3	continuing professional development programmes are implemented; and	Applied
2.20.4	directors receive regular briefings on changes in risks, laws and the environment	Applied

# KING III CORPORATE GOVERNANCE REGISTER

for the year ended 31 March 2017

Chapter	King III Principle	Recommended Practice	Applied / Partially Applied / Explain
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## King III Principle 2.21 - The board should be assisted by a competent, suitably qualified and experienced company secretary

### Company Secretary

2.21.1	The board should appoint and remove the company secretary	This will be adhered to should a replacement be required.
2.21.2	The board should empower the individual to enable him to properly fulfil his duties	An independent company secretarial service has been engaged
	The company secretary should:	Many of the duties ordinarily performed by a Company Secretary have been assumed by the Group Executive: Legal and Risk and Group Financial Director. The Company Secretary does, however, attend all Board meetings and does provide guidance on matters relating to company law and corporate governance.
2.21.3	have an arm's length relationship with the board;	The Company has outsourced the company secretarial duties to an independent firm that has the necessary experience and expertise to attend to these duties and particularly those pertaining to a listed company.
2.21.4	not be a director of the company;	The Company Secretary is not a director of the Company but does attend all Board meetings.
2.21.5	assist the nomination committee with the appointment of directors;	Nominations are dealt with by the Remuneration and Nomination Committee. The Company Secretary attends to the necessary filings and other procedures
2.21.6	assist with the director induction and training programmes;	The background, skills and past experience of any new appointees will be assessed in collaboration with the individual. Where it is found necessary, the appointee will be invited to attend a relevant induction programmes.
2.21.7	provide guidance to the board on the duties of the directors and good governance	Applied
2.21.8	ensure board and committee charters are kept up to date	The Group Executive: Legal and Risk attends to these
2.21.9	prepare and circulate board papers;	The Group Executive: Legal and Risk and/or the Group Financial Director attend to these
2.21.10	elicit responses, input and feedback for board and board committee meetings	The Group Executive: Legal and Risk and/or the Group Financial Director attend to these
2.21.11	assist in drafting yearly work plans;	Executive management attends to these.
2.21.12	ensure preparation and circulation of minutes of board and committee meetings; and	The Group Executive: Legal and Risk and/or the Group Financial Director attend to these
2.21.13	assist with the evaluation of the board, committees and individual directors.	The Board uses a self-assessment programme by which effectiveness of the individuals and committees are assessed.
JSE 3.84(i)	The provision deals with the competence, qualifications and experience of the company secretary and the board of directors' responsibility in relation thereto. <i>JSE Guidance: Contained in Bulletin 4 of 2012.</i>	ER Goodman Secretarial Services (Pty) Ltd, represented by M Janse van Rensburg, is the Company Secretary.
JSE 3.84(j)	The provision deals with the arm's length relationship between the board of directors and the company secretary and the board of directors' responsibility in relation thereto. <i>JSE Guidance: Contained in Bulletin 4 of 2012.</i>	The Board is satisfied that she has the necessary skills, knowledge and experience to perform the duties of a company secretary and that an arms-length relationship has been maintained.

## King III Principle 2.22 – The evaluation of the board, its committees and the individual directors should be performed every year

### Performance assessment

2.22.1	The board should determine its own rule, functions, duties and performance criteria as well as that for directors on the board and board committees to serve as a benchmark for the performance appraisal.	Applied
2.22.2	Yearly evaluations should be performed by the chairman or an independent provider.	The Board uses a self-assessment programme by which effectiveness of the individuals and committees are assessed.
2.22.3	The results of the performance evaluations should identify training needs for directors	Applied
2.22.4	An overview of the appraisal process, results and action plans should be disclosed in the integrated report.	To be applied in the future
2.22.5	The nomination for the re-appointment of a director should only occur after the evaluation of the performance and attendance of the director	To be applied in the future

## King III Principle 2.23 – The board should delegate certain functions to well-structured committees but without abdicating its own responsibility:

### Board committees

2.23.1	Formal terms of reference should be established and approved for each committee of the board.	The Board and its committees are governed in terms of documented and approved charters
2.23.2	The committees' terms of reference should be reviewed yearly.	Applied
2.23.3	The committees should be appropriately constituted and the composition and the terms of reference should be disclosed in the integrated report	Applied
2.23.4	Public and state-owned companies must appoint an audit committee	Applied
2.23.5	All other companies should establish an audit committee and define its composition, purpose and duties in the memorandum of incorporation.	Applied
2.23.6	Companies should establish risk, nomination and remuneration committees.	Applied
2.23.7	Committees, other than the risk committee, should comprise a majority of non-executive directors of which the majority should be independent.	All committees have a majority of non-executive directors albeit that certain committees do not yet have a majority of directors who are independent
2.23.8	External advisers and executive directors should attend committee meetings by invitation.	Applied
2.23.9	Committees should be free to take independent outside professional advice at the cost of the company subject to an approved process being followed.	Applied
JSE 3.84(d)	Issuers must appoint a remuneration committee in compliance with the King Code. <i>JSE Guidance: The remuneration committee must only comprise of member of the board and should have a majority of non-executive directors. The majority of the non-executive directors serving on the remuneration committee must be independent. The chairman of the board must not chair the remuneration committee, but may be a member of it</i>	The Remuneration committee is composed only of non-executive directors, the Chairman being an independent non-executive director.
JSE 3.84(d)	Where appropriate, issuers must appoint a risk and nomination committee. <i>JSE Guidance: Issuers must consider, given the nature of the business and composition of the board of directors, whether it requires such committees.</i>	The duties of the Risk Committee have been incorporated into the Audit, Governance and Risk Committee. The duties of the nomination committee have been incorporated into the Remuneration and Nomination Committee.
JSE 3.84(d)	The composition of such committees, a brief description of their mandates, the number of meetings held and any other relevant information must be disclosed in the annual report. <i>JSE Guidance: The risk committee must have a minimum of three members. Membership of the risk committee should include executive and non-executive directors. Those members of senior management responsible for the various areas of risk management should attend the meetings. The chairman of the board may be a member of this committee but must not chair it.</i>	Board committees comprise only non-executive directors with executive directors attending by invitation. While the board has delegated certain functions and responsibilities to these committees, it retains ultimate responsibility for their activities. The committees operate in terms of board-approved charters. The Board meets at least four times per year, the audit governance and risk committee at least three times per year and all other committees at least twice a year.
King III 130	Unless legislated otherwise, the board should appoint the risk, remuneration and nomination committees as standing committees. The board of a public listed company, state-owned	Applied

# KING III CORPORATE GOVERNANCE REGISTER

for the year ended 31 March 2017

Chapter	King III Principle	Recommended Practice	Applied / Partially Applied / Explain
---------	--------------------	----------------------	---------------------------------------

## King III Principle 2.24 – A governance framework should be agreed between the group and its subsidiary boards

### Group boards

2.24.1	Listed subsidiaries must comply with the rules of the relevant stock exchange in respect of insider trading.	Not applicable
2.24.2	The holding company must respect the fiduciary duties of the director serving in a representative capacity on the board of the subsidiary.	Applied
2.24.3	The implementation and adoption of policies, processes or procedures of the holding company should be considered and approved by the subsidiary company	Common policies and processes apply to all companies in the Group.
2.24.4	Disclosure should be made on the adoption of the holdings company's policies in the integrated report of the subsidiary company.	Not applicable

## King III Principle 2.25 – Companies should remunerate directors and executives fairly and responsibly

### Remuneration of directors and senior executives

2.25.1	Companies should adopt remuneration policies aligned with the strategy of the company and linked to individual performance.	Applied
2.25.2	The remuneration committee should assist the board in setting and administering remuneration policies.	Applied
2.25.3	The remuneration policy should address base pay and bonuses, employee contracts, severance and retirement benefits and share-based and other long-term incentive schemes	Applied
2.25.4	Non-executive fees should comprise a base fee as well as an attendance fee per meeting	Applied

## King III Principle 2.26 – Companies should disclose the remuneration of each individual director and prescribed officer:

	The remuneration report, included in the integrated report, should include	
2.26.1	all benefits paid to directors;	Applied
2.26.2	all benefits paid to prescribed officers;	Applied in aggregate
2.26.3	the policy on base pay;	Applied
2.26.4	participation in share incentive schemes;	Applied
2.26.5	the use of benchmarks;	Applied
2.26.6	incentive schemes to encourage retention;	Applied
2.26.7	justification of salaries above the median;	Applied
2.26.8	material payments that are ex-gratia in nature;	Applied
2.26.9	policies regarding executive employment; and	Applied
2.26.10	the maximum expected potential dilution as a result of incentive awards	Applied
King III 180	Companies should provide full disclosure of each individual executive and non-executive director's remuneration, giving details as required in the Act of base pay, bonuses, share-based payments, granting of options or rights, restraint payments and all other benefits (including present values of existing future awards). Similar information should be provided for	Applied in regard to directors but not in regard to prescribed officers.

## King III Principle 2.27 – Shareholders should approve the company's remuneration policy

2.27.1	Shareholders should pass a non-binding advisory vote on the company's yearly remuneration policy.	Applied
2.27.2	The board should determine the remuneration of the directors in accordance with the remuneration policy put to shareholder's vote.	Applied

## 3 AUDIT COMMITTEES

### King III Principle 3.1 - The board should ensure that the company has an effective and independent audit committee

3.1.1	Listed and state-owned companies must establish an audit committee	Applied
3.1.2	All other companies should establish an audit committee and define its composition, purpose and duties in the memorandum of incorporation	Applied
3.1.3	The board should approve the terms of the reference of the audit committee	Applied
3.1.4	The audit committee should meet as often is necessary to fulfil its function but at least twice a year.	Applied
3.1.5	The audit committee should meet with internal and external auditors at least once a year without management being present.	Applied

# KING III CORPORATE GOVERNANCE REGISTER

for the year ended 31 March 2017

Chapter	King III Principle	Recommended Practice	Applied / Partially Applied / Explain
---------	--------------------	----------------------	---------------------------------------

## King III Principle 3.2 – Audit committee members should be suitably skilled and experienced independent non-executive director:

### Membership and resources of the audit committee

3.2.1	All members of the audit committee should be independent non-executive directors	Applied
3.2.2	The audit committee should consist of at least three members.	Applied
3.2.3	The chairman of the board should not be the chairman of the audit committee	Applied
3.2.4	The committee collectively should have sufficient qualifications and experience to fulfil its duties.	Applied
3.2.5	The audit committee members should keep up-to-date with the developments affecting the required skills-set.	Applied
3.2.6	The committee should be permitted to consult with specialist or consultants subject to a board approved process.	Applied
3.2.7	The board must fill any vacancies on the audit committee.	Applied
JSE 3.84(d)	<p>Issuers must appoint an audit committee in compliance with the King Code. All the principles and recommended practice, including composition and duties, as set out in the King Code, must be complied with.</p> <p><i>JSE Guidance: With regard to the composition of the audit committee, the committee must comprise at least three independent non-executive directors.</i></p> <p><i>If an issuer has an independent non-executive chairman of the board, he/she may be a member of the audit committee, subject to the following provisions.</i></p> <ul style="list-style-type: none"> <li>- <i>All the other member of the audit committee (at least two) are independent non executive directors;</i></li> <li>- <i>He/she may not be the chairman of the audit committee</i></li> <li>- <i>The dual role (chairman of the board and member of the audit committee) is specifically disclosed to shareholders at the annual general meeting referred to in Section 94(2) of the Act; and</i></li> <li>- <i>Shareholders approve the appointment of the chairman of the audit committee at the annual general meeting.</i> <p><i>The JSE is aware that some issuers combine the audit and risk committee. Given the difference in membership of these committees, issuers must ensure that in these instances that the membership of the combined committee meets the more stringent independence criteria of the audit committee as set out in the King Code</i></p> </li></ul>	The Audit, Governance and Risk Committee comprises of three independent non-executive directors in compliance with the King III Code and the JSE Listings Requirements. The Board Chairman is not the Chairman of the committee and her appointment complies with the JSE Listings Requirement 3.84(d). The members of the committee, including the chairman, are approved by shareholders at the annual general meeting.
JSE 3.84 (d) as read with 21.5(i) and (ii)	ALTx issuers must appoint an audit committee and the DA must be invited to each audit committee meeting. <i>JSE Guidance: With regard to the composition specifically, issuers must either apply the principles of the King Code or explain why it was not applied.</i>	Not applicable

## King III Principle 3.3 – The audit committee should be chaired by an independent non-executive director

3.3.1	The board should elect the chairman of the audit committee.	Applied
3.3.2	The chairman of the audit committee should participate in setting and agreeing the agenda of the committee.	Applied
3.3.3	The chairman of the audit committee should be present at the annual general meeting	Applied

## King III Principle 3.4 – The audit committee should oversee integrated reporting

### Responsibilities of the audit committee

3.4.1	The audit committee should have regard to all factors and risks that may impact on the integrity of the integrated report.	Applied
3.4.2	The audit committee should review and comment on the financial statements included in the integrated report.	The Integrated Report has been reviewed by the Audit, Governance and Risk Committee.
3.4.3	The audit committee should review the disclosure of sustainability issue in the integrated report to ensure that it is reliable and does not conflict with the financial information	As above
3.4.4	The audit committee should recommend to the board to engage an external assurance provider on material sustainability issues.	This will be considered should the need arise.
3.4.5	The audit committee should consider the need to issue interim results.	Applied
3.4.6	The audit committee should review the content of the summarised information	Applied
3.4.7	The audit committee should engage the external auditors to provide assurance on the summarised financial information.	Applied

## King III Principle 3.5 – The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities

3.5.1	The audit committee should ensure that the combined assurance received is appropriate to address all the significant risks facing the company.	Applied
3.5.2	The relationship between the external assurance providers and the company should be monitored by the audit committee.	Applied

## King III Principle 3.6 – The audit committee should satisfy itself of the expertise, resources and experience of the company's finance function

### Internal assurance providers

3.6.1	Every year a review of the finance function should be performed by the audit committee	Applied
3.6.2	The results of the review should be disclosed in the integrated report	Applied
JSE 3.84(h)	The audit committee must consider on an annual basis, and satisfy itself of the appropriateness of the expertise and experience of the financial director and report thereon in the annual report. <i>JSE Guidance: The fact that the audit committee has executed this responsibility must be clearly stated in the annual report.</i>	The Audit, Governance and Risk Committee considers the appropriateness and expertise of the Financial Director each year. The Financial Director is a full time executive of the company. The Committee reports on this in the Audit, Governance and Risk Committee Report contained in the Integrated Annual Report.

## King III Principle 3.7 – The audit committee should be responsible for overseeing of internal audit

3.7.1	The audit committee should be responsible for the appointment, performance assessment and/or dismissal of the CAE.	To be applied in future once the Group is of a size that the cost of the internal audit function is warranted.
3.7.2	The audit committee should approve the internal audit plan	To be applied should an internal audit function be established
3.7.3	The audit committee should ensure that the internal audit function is subject to an independent quality review as and when the committee determines it appropriate.	To be applied should an internal audit function be established.

# KING III CORPORATE GOVERNANCE REGISTER

for the year ended 31 March 2017

Chapter	King III Principle	Recommended Practice	Applied / Partially Applied / Explain
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## King III Principle 3.8 – The audit committee should be an integral component of the risk management process:

3.8.1	The charter of the audit committee should set out its responsibilities regarding risk management.	Applied
3.8.2	The audit committee should specifically have oversight of:	Applied
3.8.2.1	financial reporting risks;	Applied
3.8.2.2	internal financial controls;	Applied
3.8.2.3	fraud risks as it relates to financial reporting; and	Applied
3.8.2.4	IT risks as it relates to financial reporting.	Applied

## King III Principle 3.9 – The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process:

### External assurance providers

	The audit committee:	
3.9.1	must nominate the external auditor for appointment	Applied
3.9.2	must approve the terms of engagement and remuneration for the external audit engagement	Applied
3.9.3	must monitor and report on the independence of the external auditor	Applied
3.9.4	must define a policy for non-audit services provided by the external auditor and must approve the contracts for non-audit services;	Applied
3.9.5	should be informed of any Reportable Irregularities identified and reported by the external auditor; and	Applied
3.9.6	should review the quality and effectiveness of the external audit process	Applied
King III 78	The audit committee must define a policy addressing the nature, extent and terms under which the external auditor may perform non-audit services. (The policy being subject to board	Applied

## King III Principle 3.10 – The audit committee should report to the board and shareholders on how it has discharged its duties:

### Reporting

3.10.1	The audit committee should report internally to the board on its statutory duties and duties assigned to it by the board.	Applied
3.10.2	The audit committee must report to the shareholders on its statutory duties	Applied
3.10.2.1	how its duties were carried out;	Applied
3.10.2.2	if the committee is satisfied with the independence of the external auditor	Applied
3.10.2.3	the committee's view on the financial statements and the accounting practices; and	Applied
3.10.2.4	whether the internal financial control are effective.	Applied
3.10.3	The audit committee should provide a summary of its role and details of its composition, number of meetings and activities, in the integrated report	Applied
3.10.4	The audit committee should recommend the integrated report for approval by the board	Applied

## 4 THE GOVERNANCE OF RISK

### King III Principle 4.1 – The board should be responsible for the governance of risk

#### The board's responsibility for risk governance

4.1.1	A policy and plan for a system and process of risk management should be developed	The Board has established an Audit, Governance and Risk Committee
4.1.2	The board should comment in the integrated report on the effectiveness of the system and process of risk management.	To be applied in the future
4.1.3	The board's responsibility for risk governance should be expressed in the board charter	Incorporated in the Audit, Governance and Risk Committee charter
4.1.4	The induction and ongoing training programmes of the board should incorporate risk governance.	The background, skills and past experience of any new appointees will be assessed in collaboration with the individual. Where it is found necessary, the appointee will be invited to attend a relevant induction programme.
4.1.5	The board's responsibility for risk governance should manifest in a documented risk management policy and plan.	The Board uses a heat risk map to continually assess risk. A dedicated risk meeting is held each year.
4.1.6	The board should approve the risk management policy and plan	
4.1.7	The risk management policy should be widely distributed throughout the company	
4.1.8	The board should review the implementation of the risk management plan at least once a year.	
4.1.9	The board should ensure that the implementation of the risk management plan is monitored continually.	

### King III Principle 4.2 – The board should determine the level of risk tolerance

4.2.1	The board should set the levels of risks tolerance once a year.	The Audit Committee, in its dual role as the Risk Committee, conducts a dedicated risk meeting once a year, attended by all members of the Board and at which aspects of risk to which the Group is exposed are considered and, where appropriate, risk tolerance levels and limits for risk appetite are considered. Each meeting of the Audit, Governance and Risk Committee considers levels of risk taken and ensures that these are within tolerance levels.
4.2.2	The board may set limits for the risk appetite.	
4.2.3	The board should monitor that risks taken are within the tolerance levels.	

### King III Principle 4.3 – The risk committee or audit committee should assist the board in carrying out its risks responsibility:

4.3.1	The board should appoint a committee responsible for risk.	Applied
4.3.2	The risk committee should:	
4.3.2.1	consider the risk management policy and plan and monitor the risk management process;	The Committee engages in a process where the risk elements impacting the business are considered and assessed and, where necessary, risk mitigation strategies are considered and implemented.
4.3.2.2	have as its members executive and non-executive directors, members of senior management and independent risk management experts to be invited, if necessary;	The Audit, Governance and Risk Committee comprises only of non-executive directors. Executive directors attend by invitation.
4.3.2.3	have a minimum of three members; and	Applied
4.3.2.4	convene at least twice per year.	Applied
4.3.3	The performance of the committee should be evaluated once a year by the board.	The Board uses a self-assessment programme by which effectiveness of the individuals and committees are assessed.

# KING III CORPORATE GOVERNANCE REGISTER

for the year ended 31 March 2017

Chapter	King III Principle	Recommended Practice	Applied / Partially Applied / Explain
---------	--------------------	----------------------	---------------------------------------

## King III Principle 4.4 – The board should delegate to management the responsibility to design, implement and monitor the risk management plan

### Management's responsibility for risk management

4.4.1	The board's risk strategy should be executed by management by means of risk management systems and processes.	Applied
4.4.2	Management is accountable for integrating risk in the day-to-day activities of the company	Applied
4.4.3	The CRO should be a suitably experienced person who should have access and interact regularly on strategic matters with the board and/or appropriate board committees and executive management.	The responsibilities of a CRO are incorporated in the duties of the Group Financial Director and the Group Executive: Legal and Risk.

## King III Principle 4.5 – The board should ensure that risk assessments are performed on a continual basis:

### Risk assessment

4.5.1	The board should ensure effective and ongoing risk assessments are performed	Applied
4.5.2	A systematic, documented, formal risk assessment should be conducted at least once a year	Applied
4.5.3	Risks should be prioritised and ranked to focus responses and interventions	Applied
4.5.4	The risk assessment process should involve the risk affecting various income streams of the company, the critical dependencies of the business, the sustainability and the legitimate interest and expectations of stakeholders.	Applied
4.5.5	Risk assessments should adopt a top-down approach	Applied
4.5.6	The board should regularly receive and review a register of the company's key risks	Applied
4.5.7	The board should ensure that key risks are quantified where practicable	Applied

## King III Principle 4.6 – The board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risk

4.6.1	The board should ensure that a framework and processes are in place to anticipate unpredictable risks.	A framework will be developed in future.
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## King III Principle 4.7 – The board should ensure that management considers and implements appropriate risk response:

### Risk response

4.7.1	Management should identify and note in the risk register the risk responses decided upon	Applied
4.7.2	Management should demonstrate to the board that the risk response provides for the identification and exploitation of opportunities to improve the performance of the company	Applied

## King III Principle 4.8 – The board should ensure continual risk monitoring by management

### Risk monitoring

4.8.1	The board should ensure that effective and continual monitoring of risk management takes place.	A heat risk map is included in the Audit, Governance and Risk Committee packs together with specific reports on risk from both the Group Executive: Legal and Risk and Group Financial Director.
4.8.2	The responsibility for monitoring should be defined in the risk management plan	The risk management plan will be developed in conjunction with the risk framework

## King III Principle 4.9 – The board should receive assurance regarding the effectiveness of the risk management process:

### Risk assurance

4.9.1	Management should provide assurance to the board that the risk management plan is integrated in the daily activities of the company.	As above
4.9.2	Internal audit should provide a written assessment of the effectiveness of the system of internal controls and risk management to the board.	No dedicated internal audit function was performed during the year under review.

## King III Principle 4.10 – The board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholder

### Risk disclosure

4.10.1	Undue, unexpected or unusual risks should be disclosed in the integrated report.	Risks have been explained in the Integrated Annual report including industry-specific risk as well as contingent liabilities.
4.10.2	The board should disclose its view on the effectiveness of the risk management process in the integrated report.	A framework will be developed in future.

## 5 THE GOVERNANCE OF INFORMATION TECHNOLOGY

### King III Principle 5.1 – The board should be responsible for information technology (IT) governance

5.1.1	The board should assume the responsibility for the governance of IT and place it on the board agenda.	Matters pertaining to IT risk have been delegated to the Audit, Governance and Risk Committee.
5.1.2	The board should ensure that an IT charter and policies are established and implemented	As above
5.1.3	The board should ensure promotion of an ethical IT governance culture and awareness and of a common IT language.	As above
5.1.4	The board should ensure that an IT internal control framework is adopted and implemented	As above
5.1.5	The board should receive independent assurance on the effectiveness of the IT internal controls.	As above

### King III Principle 5.2 – IT should be aligned with the performance and sustainability objectives of the company

5.2.1	The board should ensure that the IT strategy is integrated with the company's strategic and business processes.	As above
5.2.2	The board should ensure that there is a process in place to identify and exploit opportunities to improve the performance and sustainability of the company through the use of IT	As above

### King III Principle 5.3 – The board should delegate to management the responsibility for the implementation of an IT governance framework

5.3.1	Management should be responsible for the implementation of the structure, processes and mechanism for the IT governance framework.	Applied
5.3.2	The board may appoint an IT steering committee of similar function to assist with its governance of IT.	To be considered.
5.3.3	The CEO should appoint a Chief Information Officer responsible for the management of IT.	The duties of a CIO have been assigned to the Group Financial Director and Group Executive: Legal and Risk assisted by the Group Information Systems Manager
5.3.4	The CIO should be a suitably qualified and experienced person who should have access and interact regularly on strategic IT matters with the board and/or appropriate board committee and executive management.	As above



# KING III CORPORATE GOVERNANCE REGISTER

for the year ended 31 March 2017

Chapter	King III Principle	Recommended Practice	Applied / Partially Applied / Explain
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## King III Principle 5.4 – The board should monitor and evaluate significant IT investments and expenditure

5.4.1	The board should oversee the value delivery of IT and monitor the return on investment from significant IT projects.	All significant capital expenditure items are approved by the Board within the terms of the levels of authority matrix.
5.4.2	The board should ensure that intellectual properties contained in information systems are protected.	The Group does not have any proprietary information systems and has the necessary controls and confidentiality undertakings with third party vendors.
5.4.3	The board should obtain independent assurance on the IT governance and controls outsourced IT services.	Applied

## King III Principle 5.5 – IT should form an integral part of the company's risk management

5.5.1	Management should regularly demonstrate to the board that the company has adequate business resilience arrangements in place for disaster recovery.	Applied
5.5.2	The board should ensure that the company complies with IT laws and that IT related rules, codes and standards are considered.	A framework will be developed in future.

## King III Principle 5.6 – The board should ensure that information assets are managed effectively

5.6.1	The board should ensure that there are systems in place for the management of information which should include information security, information privacy.	Applied
5.6.2	The board should ensure that all personal information is treated by the company as an important business asset and is identified.	Applied
5.6.3	The board should ensure that an Information Security Management System is development and implemented.	A framework will be developed in future.
5.6.4	The board should approve the information security strategy and delegate and empower management to implement the strategy.	A framework will be developed in future.

## King III Principle 5.7 – A risk committee and audit committee should assist the board in carrying out its IT responsibility

5.7.1	The risk committee should ensure that IT risks are adequately addressed	Applied
5.7.2	The risk committee should obtain appropriate assurance that that controls are in place and effective in addressing IT risks.	IT risk is a significant component of the Group's existing, and documented, internal controls.
5.7.3	The audit committee should consider IT as it relates to financial reporting and the going concern of the company.	Applied
5.7.4	The audit committee should consider the use of technology to improve audit coverage and efficiency.	Applied

## 6 COMPLIANCE WITH LAWS, RULES, CODES AND STANDARDS

### King III Principle 6.1 – The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standard

6.1.1	Companies must comply with all applicable laws.	Applied
6.1.2	Exceptions permitted in laws, shortcomings and proposed changes expected should be handled ethically.	Applied
6.1.3	Compliance should be an ethical imperative.	Applied
6.1.4	Compliance with applicable laws should be understood not only in terms of the obligation that they create, but also for the rights and protection that they afford	Applied
6.1.5	The board should understand the context of the law, and how other applicable laws interact with it.	Applied
6.1.6	The board should monitor the company's compliance with applicable laws, rules, codes and standards.	Applied
6.1.7	Compliance should be a regular item on the agenda of the board	Applied
6.1.8	The board should disclose details in the integrated report on how it discharged its responsibility to establish an effective compliance framework and processes.	Applied

### King III Principle 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

6.2.1	The induction and ongoing training programmes of directors should incorporate an overview of and any changes to applicable laws, rules, codes and standards	Applied
6.2.2	Directors should sufficiently familiarise themselves with the general content of applicable laws, rules, codes and standards to discharge their legal duties.	Applied

### King III Principle 6.3 – Compliance risk should form an integral part of the company's risk management process

6.3.1	The risk of non-compliance should be identified, assessed and responded to through the risk management processes.	A heat risk map is included in the Audit, Governance and Risk Committee packs together with specific reports on risk from both the Group Executive: Legal and Risk and Group Financial Director.
6.3.2	Companies should consider establishing a compliance function.	Compliance matters are incorporated into the role of the Audit, Governance and Risk Committee.

### King III Principle 6.4 – The board should delegate to management the implementation of an effective compliance framework and process

6.4.1	The board should ensure that a legal compliance policy, approved by the board, has been implemented by management.	There is a Group Executive: Legal and Risk who attends to matters of legal and other compliance.
6.4.2	The board should receive assurance on the effectiveness of the controls around compliance with laws, rules, codes and standards.	Partially applied
6.4.3	Compliance with laws, rules, codes and standards should be incorporated in the code of the conduct of the company.	Applied
6.4.4	Management should establish the appropriate structures, educate and train, and communicate and measure key performance indicators relevant to compliance.	Partially applied
6.4.5	The integrated report should include details of material or often repeated instances of non compliance by either the company or its directors in their capacity as such.	To be assessed and reported, if any.
6.4.6	An independent, suitably skilled compliance officer may be appointed.	Due to the size of the Group, a compliance officer will not be appointed and the compliance function will be attended to by the Group Financial Director supported by the Group Executive: Legal and Risk.
6.4.7	The compliance officer should be a suitably skilled and experienced person who should access and interact regularly on strategic compliance matters with the board and/or appropriate board committee and executive management	As above
6.4.8	The structuring of the compliance function, its role and its position in terms of reporting lines should be a reflection of the company's decision on how compliance is to be integrated with its ethics and risk management.	As above
6.4.9	The compliance function should have adequate resources to fulfil its function	As above

# KING III CORPORATE GOVERNANCE REGISTER

for the year ended 31 March 2017

Chapter	King III Principle	Recommended Practice	Applied / Partially Applied / Explain
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## 7 INTERNAL AUDIT

### King III Principle 7.1 – The board should ensure that there is an effective risk-based internal audit

#### *The need for and role of internal audit*

7.1.1	Companies should establish an internal audit function.	The Group has assessed the benefits and costs of an internal audit function and has concluded that given the systems of internal control, no significant benefit will arise by the creation of a separate internal audit function. Internal resources are used in specific instances as required.
7.1.2	Internal audit should perform the following functions:	
7.1.2.1	evaluate the company's governance processes;	Refer 7.1.1 above
7.1.2.2	perform an objective assessment of the effectiveness of risk management and the internal control framework;	Refer 7.1.1 above
7.1.2.3	systematically analyse and evaluate business processes and associated controls; and	Refer 7.1.1 above
7.1.2.4	provide a source of information as appropriate, regarding instances of fraud, corruption, unethical behaviour and irregularities.	Refer 7.1.1 above
7.1.3	An internal audit charter should be defined and approved by the board	Refer 7.1.1 above
7.1.4	The internal audit function should adhere to the IIA Standards and code of ethics	Refer 7.1.1 above

### King III Principle 7.2 – Internal audit should follow a risk-based approach to its plan

#### *Internal audit's approach and plan*

7.2.1	The internal audit plan and approach should be informed by the strategy and risks of the company.	To be applied when justified and as and when someone is appointed to the role.
7.2.2	Internal audit should be independent from management	Refer 7.2.1 above
7.2.3	Internal audit should be an objective provider of assurance that considers	
7.2.3.1	the risks that may prevent or slow down the realisation of strategic goals	Refer 7.2.1 above
7.2.3.2	whether controls are in place and functioning effectively to mitigate this; and	Refer 7.2.1 above
7.2.3.3	the opportunities that will promote the realisation of strategic goals that are identified, assessed and effectively managed by the company's management team.	Refer 7.2.1 above

### King III Principle 7.3 – Internal audit should provide a written assessment of the effectiveness of the company's system of internal controls and risk management

7.3.1	Internal audit should form an integral part of the combined assurance model as internal assurance provider.	Refer 7.2.1 above
7.3.2	Internal controls should be established not only over financial matters, but also operational, compliance and sustainability issues.	Refer 7.2.1 above
7.3.3	Companies should maintain an effective governance, risk management and internal control framework.	Refer 7.2.1 above
7.3.4	Management should specify the elements of the control framework.	Refer 7.2.1 above
7.3.5	Internal audit should provide a written assessment of the system of internal controls and risk management to the board.	Refer 7.2.1 above
7.3.6	Internal audit should provide a written assessment of the system of internal financial controls to the audit committee.	Refer 7.2.1 above

### King III Principle 7.4 – The audit committee should be responsible for overseeing internal audit

7.4.1	The internal audit plan should be agreed and approved by the audit committee	Refer 7.2.1 above
7.4.2	The audit committee should evaluate the performance of the internal audit function.	Refer 7.2.1 above
7.4.3	The audit committee should ensure that the internal audit function is subjected to an independent quality review.	Refer 7.2.1 above
7.4.4	The CAE should report functionally to the audit committee chairman.	Refer 7.2.1 above
7.4.5	The audit committee should be responsible for the appointment, performance assessment and dismissal of the CAE.	Refer 7.2.1 above
7.4.6	The audit committee should ensure that the internal audit function is appropriately resourced and has appropriate budget allocated to the function	Refer 7.2.1 above
7.4.7	Internal audit should report at all audit committee meetings.	Refer 7.2.1 above

### King III Principle 7.5 – Internal audit should be strategically positioned to achieve its objective:

#### *Internal audit's status in the company*

7.5.1	The internal audit function should be independent and objective	Refer 7.2.1 above
7.5.2	The internal audit function should report functionally to the audit committee	Refer 7.2.1 above
7.5.3	The CAE should have a standing invitation to attend executive committee meetings	Refer 7.2.1 above
7.5.4	The internal audit function should be skilled and resourced as is appropriate for the complexity and volume of risk and assurance needs.	Refer 7.2.1 above
7.5.5	The CAE should develop and maintain a quality assurance and improvement programme	Refer 7.2.1 above

## 8 GOVERNING STAKEHOLDER RELATIONSHIPS

### King III Principle 8.1 – The board should appreciate that stakeholders' perceptions affect a company's reputation

8.1.1	The gap between stakeholders' perceptions and the performance of the company should be managed and measured to enhance or protect the company's reputation.	Stakeholder communications are addressed in the Sustainability report. Management interacts regularly with major stakeholders and these matters are reported on and addressed by the board.
8.1.2	The company's reputation and its linkage with stakeholders' relationship should be a regular board agenda item.	The Primeserv Pledge as well as the Code of Ethics address this aspect and are regularly considered by the board.
8.1.3	The board should identify important stakeholder groupings.	Stakeholders have been identified in the Sustainability report which is incorporated into the Integrated Annual Report and approved for publication by the Board

# KING III CORPORATE GOVERNANCE REGISTER

for the year ended 31 March 2017

Chapter	King III Principle	Recommended Practice	Applied / Partially Applied / Explain
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## King III Principle 8.2 – The board should delegate to management to proactively deal with stakeholder relationship:

8.2.1	Management should develop a strategy and formulate policies for the management of relationships with each stakeholder grouping.	Refer the Sustainability report
8.2.2	The board should consider whether it is appropriate to publish its stakeholder policies	Partially applied
8.2.3	The board should oversee the establishment of mechanisms and processes that support stakeholders in constructive engagement with the company	Partially applied.
8.2.4	The board should encourage shareholders to attend AGMs.	The notice of annual general meeting is included in the Integrated Annual Report, in the Summarised Financial Report as well as being publicised on SENS.
8.2.5	The board should consider not only formal but also informal, processes for interaction with the company's stakeholders.	Refer the Sustainability report
8.2.6	The board should disclose in its integrated report the nature of the company's dealings with stakeholders and the outcomes of these dealings.	Refer the Sustainability report

## King III Principle 8.3 – The board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the company

8.3.1	The board should take account of the legitimate interest and expectations of its stakeholders in its decision-making in the best interests of the company.	Refer to the Corporate Governance section of the Integrated Annual Report
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## King III Principle 8.4 – Companies should ensure the equitable treatment of shareholders

8.4.1	There must be equitable treatment of all holders of the same class of shares issued	Applied
8.4.2	The board should ensure that minority shareholders are protected.	The Company is required to comply with legislation as well as the JSE Listings Requirements, both of which address the protection of minorities

## King III Principle 8.5 – Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence:

8.5.1	Complete, timely, relevant, accurate, honest and accessible information should be provided by the company to its stakeholders whilst having regard to legal and strategic considerations	Refer the Sustainability report
8.5.2	Communication with stakeholders should be in clear and understandable language	Refer the Sustainability report
8.5.3	The board should adopt communication guidelines that support a responsible communication programme.	Refer the Sustainability report
8.5.4	The board should consider disclosing in the integrated report the number and reasons for refusal of requests of information that were lodged with the company in terms of the Promotion of Access to Information Act, 2000	No requests were received therefore there is none to be reported.

## King III Principle 8.6 – The board should ensure that disputes are resolved as effectively, efficiently and expeditiously as possible

### Dispute resolution

8.6.1	The board should adopt formal dispute resolution processes for internal and external disputes	Contracts drawn up by the company include specific provisions dealing with disputes.
8.6.2	The board should select the appropriate individuals to represent the company in ADR	Applied

## 9 INTEGRATED REPORTING AND DISCLOSURE

### King III Principle 9.1 – The board should ensure the integrity of the company's integrated report

#### Transparency and accountability

9.1.1	A company should have controls to enable it to verify and safeguard the integrity of its integrated report.	External assurance has been received for the financial statements
9.1.2.	The board should delegate to the audit committee to evaluate sustainability disclosures	This will be incorporated into the Audit, Governance and Risk Committee responsibilities
	The integrated report should:	
9.1.3	be prepared every year;	Applied
9.1.4	convey adequate information regarding the company's financial and sustainability performance; and	Applied
9.1.5	focus on substance over form.	Applied

### King III Principle 9.2 – Sustainability reporting and disclosure should be integrated with the company's financial reporting:

9.2.1	The board should include commentary on the company's financial results	Applied
9.2.2	The board must disclose if the company is a going concern.	Refer the Directors' Report
9.2.3	The integrated report should describe how the company has made its money	Applied
9.2.4	The board should ensure that the positive and negative impacts of the company's operations and plans to improve the positives and eradicate or ameliorate the negatives in the financial year ahead are conveyed in the integrated report	Refer the Sustainability report

### King III Principle 9.3 – Sustainability reporting and disclosure should be independently assured:

9.3.1	General oversight and reporting of sustainability should be delegated by the board to the audit committee.	To be applied in the future
9.3.2	The audit committee should assist the board by reviewing the integrated report to ensure that the information contained in it is reliable and that it does not contradict the financial aspects of the report.	The integrated report was reviewed by the Chairman of the Audit, Governance and Risk Committee.
9.3.3	The audit committee should oversee the provision of assurance over sustainability issues	To be applied in the future