

KING III INDEX

PRINCIPLE

APPLY

1. ETHICAL LEADERSHIP AND CORPORATE CITIZENSHIP

The Board should provide effective leadership based on an ethical foundation	✓
The Board should ensure that the Company is and is seen to be a responsible corporate citizen	✓
The Board should ensure that the Company's ethics are managed effectively	✓
Assurance statement on ethics in Integrated Report	✓

2. BOARDS AND DIRECTORS

The Board should act as the focal point for and custodian of corporate governance	✓
The Board should appreciate that strategy, risk performance and sustainability are inseparable	✓
Directors act in the best interests of the Company	✓
The Chairman of the Board is an Independent Non-executive Director	✓
The Board should provide effective leadership based on an ethical foundation	✓
The Board should ensure that the Company is and is seen to be a responsible corporate citizen	✓
The Board should ensure that the Company's ethics are managed effectively	✓
The Board should ensure that the Company has an effective and independent Audit Committee	✓
The Board should be responsible for the governance of risk	✓
The Board should be responsible for Information Technology ("IT") governance	✓
The Board should ensure that the Company complies with applicable laws and considers adherence to non-binding rules, codes and standards	✓
The Board should ensure that there is an effective, risk-based Internal Audit	✓
The Board should appreciate that stakeholders' perceptions affect the Company's reputation	✓
The Board should ensure the integrity of the Company's Integrated Report	✓
The Board should report on the effectiveness of the Company's system of internal control	✓
The Board and its Directors should act in the best interests of the Company	✓
The Board should consider business rescue proceedings or other turnaround mechanisms as soon as the Company is financially distressed, as defined in the Act	✓
The Board should elect a Chairman of the Board who is an Independent Non-executive Director. The Chief Executive of the Company should not also fulfill the role of Chairman of the Board	✓
The Board should appoint the Chief Executive and establish a framework for the delegation of authority	✓
The Board should comprise a balance of power, with a majority of Non-executive Directors. The majority of Non-executive Directors should be Independent	✓

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2. BOARDS AND DIRECTORS continued

Directors should be appointed through a formal process	✓
The induction and on-going training and development of Directors should be conducted through formal processes	✓
The Board should be assisted by a competent, suitably qualified and experienced Company Secretary	✓
The evaluation of the Board, its Committees and individual Directors should be performed every year	✓
The Board should delegate certain functions to well-structured Committees but without abdicating its own responsibilities	✓
A governance framework should be agreed between the Group and its subsidiary Boards	✓
Companies should remunerate Directors and Executives fairly and responsibly	✓
Companies should disclose the remuneration of each individual Director and certain Senior Executives	✓
Shareholders should approve the Company's remuneration policy	✓

3. AUDIT COMMITTEE

The Board should ensure that the Company has an effective and independent Audit Committee	✓
Audit Committee members should be suitably skilled and experienced Independent Non-executive Directors	✓
The Audit Committee should be chaired by an Independent Non-executive Director	✓
The Audit Committee should oversee integrated reporting	✓
The Audit Committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities	✓
The Audit Committee should satisfy itself of the expertise, resources and experience of the Company's finance function	✓
The Audit Committee should be responsible for overseeing Internal Audit	✓
The Audit Committee should be an integral component of the risk management process	✓
The Audit Committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process	✓
The Audit Committee should report to the Board and stakeholders on how it has discharged its duties	✓

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4. THE GOVERNANCE OF RISK

The Board should be responsible for the governance of risk	✓
The Board should determine the levels of risk tolerance	✓
The Risk Committee or Audit Committee should assist the Board in carrying out its risk responsibilities	✓
The Board should delegate to Management the responsibility to design, implement and monitor the risk management plan	✓
The Board should ensure that risk assessments are performed on a continual basis	✓
The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks	✓
The Board should ensure that Management considers and implements appropriate risk responses	✓
The Board should ensure continual risk monitoring by Management	✓
The Board should receive assurance regarding the effectiveness of the risk management process	✓
The Board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders	✓

5. THE GOVERNANCE OF IT

The Board should be responsible for IT governance	✓
IT should be aligned with the performance and sustainability objectives of the Company	✓
The Board should delegate to management the responsibility for the implementation of an IT governance framework	✓
The Board should monitor and evaluate significant IT investments and expenditure	✓
IT should form part of the Company's risk management	✓
The Board should ensure that information assets are managed effectively	✓
The Risk Committee and Audit Committee should assist the Board in carrying out its IT responsibilities	✓

6. COMPLIANCE WITH LAWS, RULES, CODES AND STANDARDS

The Board should ensure that the Company complies with applicable laws and considers adherence to non-binding rules, codes and standards	✓
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	✓
Compliance risk should form an integral part of the Company's risk management process	✓
The Board should delegate to management the implementation of an effective compliance framework and processes	✓

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7. INTERNAL AUDIT

The Board should ensure that there is an effective risk-based Internal Audit	✓
Internal Audit should follow a risk-based approach to its plan	✓
Internal Audit should provide a written assessment of the effectiveness of the Company's system of internal control and risk management	✓
The Audit Committee should be responsible for overseeing Internal Audit	✓
Internal Audit should be strategically positioned to achieve its objectives	✓

8. GOVERNING STAKEHOLDER RELATIONS

The Board should appreciate that stakeholders' perceptions affect a Company's reputation	✓
The Board should delegate to management the task of dealing with stakeholder relationships proactively	✓
The Board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the Company	✓
Companies should ensure the equitable treatment of shareholders	✓
Transparent and effective communication with stakeholders is essential for building and maintaining their trust	✓
The Board should ensure that disputes are resolved as effectively, efficiently and expeditiously as possible	✓

9. INTEGRATED REPORTING AND DISCLOSURE

The Board should ensure the integrity of the Company's Integrated Report	✓
Sustainability reporting and disclosure should be integrated with the Company's financial reporting	✓
Sustainability reporting and disclosure should be independently assured	✓