

## King III Application Register

No.	Requirement	Status	Comments
<b>1. Ethical Leadership and Corporate Citizenship</b>			
1.	<b>1.1</b> The board should provide effective leadership based on an ethical foundation.	✓	The Board's paramount responsibility is the positive performance of the Company in creating value for all its stakeholders and accordingly the Board is committed to doing business ethically and sustainably, whilst considering the legitimate interests and expectations of the Company's stakeholders.
	Ethical leaders should direct the strategy and operations to build a sustainable business.	✓	The Board is responsible for directing the strategy of the Group, which remains focused on the investment in the pentagon and triangle which includes, human capacity, suppliers supply chains, operations, Distribution Centre, Systems and foreign operations, to ensure long-term sustainability.
	Ethical leaders should consider the short- and long-term impacts of the strategy on the economy, society and the environment.	✓	The Board is committed to sustainability and accordingly the Group regularly tracks key business sustainability issues. In addition, the Board considers the short- and long-term impacts of the Group's strategy on economic, social and environmental issues that are material to the business.
	Ethical leaders should do business ethically.	✓	In terms of the Board Charter, it is the Board's responsibility to provide effective leadership based on an ethical foundation and to ensure that ethics are managed effectively.

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	Ethical leaders should do not compromise the natural environment.	✓	<p>A Utilities Management Committee has been established to focus on reducing energy costs and improving energy efficiencies. An important part of this Committee’s mandate is to reduce the Group’s carbon footprint over the medium-term through reducing energy usage.</p> <p>The Group is committed to reducing its carbon footprint over the medium and long term and has established internal targets by division as well as monitoring the carbon management initiatives.</p> <p>A number of carbon management initiatives have been established and are presently being rolled out, including the retrofitting of lighting to more energy efficient technology in large stores and an associated awareness programme to encourage behavioural change towards energy usage.</p>
	Ethical leaders should take account of the company’s impact on internal and external stakeholders.	✓	The Group recognises the importance of stakeholder engagement to ensure the long-term sustainability of the business. This process takes into account both the internal and external stakeholders of the Company and ensures greater transparency, as key stakeholder issues are identified and addressed.
	The board should be responsible for the strategic direction of the company and for the control of the company.	✓	The Board’s paramount responsibility is the positive performance of the company in creating value for all its stakeholders. In terms of the Board Charter, the Group subscribes to a unitary Board, which both leads and controls the Group.
	The board should set the values to which the company will adhere, formulated in its code of conduct.	✓	The Board sets the values of the Group and same is included in the Business Code of Conduct, which all associates are required to comply with. The said Code is reviewed annually by the Social, Ethics, Transformation and Sustainability Committee for onward approval by the Board.

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	The board should ensure that its conduct and that of management aligns to the values and is adhered to in all aspects of its business.	✓	The Board believes that the ethical standards embodied in the Code are effectively observed within the business. In addition, appropriate disciplinary action is applied, where necessary, in the event of any breach of the Business Code of Conduct.
	The board should promote the stakeholders-inclusive approach of governance.	✓	The Group recognises the importance of stakeholder engagement to ensure the long-term sustainability of the business.
	The board should ensure that all deliberations, decisions and actions are based on the four values underpinning good governance.	✓	The Board subscribes to ethical leadership and sound values of good corporate governance and accordingly the Board Charter is drafted in such a way that it seeks to ensure that sound corporate governance principles are applied in all dealings by Directors.
	The board should ensure that each director adheres to the duties of a director.	✓	The Chairman is responsible for ensuring that Board members are appropriately educated in their duties and responsibilities and that a formal programme of continuing professional education is adopted at Board level. Furthermore, the Company Secretary ensures that the Directors are aware of their statutory duties and that compliance is maintained with the governance related legislation.
2.	<b>1.2</b> The board should ensure that the company is and is seen to be a responsible corporate citizen.	✓	<p>The Board ensures that the Group is, and is seen to be, a responsible corporate citizen by having regard to not only the financial aspects of the business of the Group, but also the impact that business operations have on the environment and the society within which it operates. Details of the Group's social investments are set out in the Annual Integrated Report.</p> <p>The Group has developed a dashboard to track key business sustainability issues, with key indicators covering economic, social and environmental issues that are material to the Group and same is included in the Annual Integrated Report.</p>

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	The board should consider not only the financial performance, but also the impact of the company's operations on society and the environment.	✓	The Board ensures that the Group is, and is seen to be, a responsible corporate citizen by having regard to not only the financial aspects of the business of the Group, but also the impact that business operations have on the environment and the society within which it operates.
	The board should protect, enhance and invest in the wellbeing of the economy, society and the environment.	✓	The Group tracks key business sustainability issues, with key indicators covering economic, social and environmental issues that are material to the Group and same is included in the Annual Integrated Report.
	The board should ensure that the company's performance and interaction with its stakeholders is guided by the Constitution and the Bill of Rights.	✓	The Company complies with legislation that has been promulgated to give effect to the Bill of Rights, including Labour Relations and Consumer Law. The Company's culture goes beyond compliance and is aligned to the Bill of Rights.
	The board should ensure that collaborative efforts with stakeholders are embarked upon to promote ethical conduct and good corporate citizenship.	✓	The Group is committed to acting responsibly and to consider the interests of its stakeholders – in short, being a good corporate citizen. In doing so, the Group abides by the laws of the territories in which it transacts and expects its associates (through accepting the terms of the business code of conduct), suppliers (in terms of the Supplier Code of Conduct) and stakeholders to adopt and maintain high ethical standards.
	The board should ensure that measurable corporate citizenship programmes are implemented.	✓	Social investment is important to the Group and the details of the Group's social investments are set out in the Annual Integrated Report.
	The board should ensure that management develops corporate citizenship policies.	✓	The Social, Ethics, Transformation and Sustainability Committee is responsible for assisting the Board with the monitoring and reporting of social, ethical, transformational and sustainability practices as well as the development of the associated policies.

No.	Requirement	Status	Comments
3.	<b>1.3</b> The board should ensure that the company's ethics are managed effectively	✓	<p>The Board is committed to actively cultivating a culture of ethical conduct. The Board accordingly sets the values included in the Business Code of Conduct, which all associates are required to comply with.</p> <p>A Social, Ethics, Transformation and Sustainability Committee is in place to assist the Board with the monitoring and reporting of social, ethical, transformational and sustainability matters relating to the Company, and the Committee reports to the Board after every committee meeting on matters within its mandate.</p>
	The board should ensure that it builds and sustains an ethical corporate culture in the company.	✓	The Board is committed to actively cultivating a culture of ethical conduct and Directors/associates are required to maintain the highest ethical standards. Upon joining the Group, every associate receives a copy of the Business Code of Conduct and is requested to sign as acknowledgement of the acceptance of the Code. On an annual basis, all senior associates of the Group are required to submit a declaration confirming their continued compliance with the Code.
	The board should ensure that 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.	✓	The Social, Ethics, Transformation and Sustainability Committee annually reviews the Business Code of Conduct to determine if it is in compliance with statutory requirements. An assessment was made to ensure that it was aligned to the culture of the Group and that it was comprehensive in addressing ethical matters. Steps were agreed to ensure that the content of the Code was adequately communicated throughout the Group. In addition, appropriate disciplinary action is applied, where necessary, in the event of any breach of the Business Code of Conduct.
	The board should ensure that adherence to ethical standards is measured.	✓	On an annual basis, all senior associates of the Group are required to submit a declaration confirming their continued compliance with the Business Code of Conduct. Appropriate disciplinary action is applied, where necessary, in the event of any breach.

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	The board should ensure that internal and external ethics performance is aligned around the same ethical standards.	✓	The Social, Ethics, Transformation and Sustainability Committee annually assessed the Business Code of Conduct to ensure that it was aligned to the culture of the Group and that it was comprehensive in addressing ethical matters.
	The board should ensure that ethical risks and opportunities are incorporated in the risk management process.	✓	The Board ensures that ethical risks and opportunities are incorporated in the risk management process.
	The board should ensure that a code of conduct and ethics-related policies are implemented.	✓	The Board sets the values included in the Business Code of Conduct, which all associates are required to comply with.
	The board should ensure that compliance with the code of conduct is integrated in the operations of the company.	✓	The Board believes that the ethical standards embodied in the Business Code of Conduct are effectively observed within the business. The Social, Ethics, Transformation and Sustainability Committee monitors compliance with the Business Code of Conduct and appropriate disciplinary action is applied, where necessary, in the event of any breach.
	The board should ensure that the company's ethics performance should be assessed, monitored, reported and disclosed.	✓	In terms of the Board Charter, it's the Board's responsibility to provide effective leadership on an ethical foundation and to ensure that ethics are managed effectively. In this regard, the Social, Ethics, Transformation and Sustainability Committee is in place to assist the Board with the oversight of ethics related matters, and the Committee reports to the Board after every committee meeting and to the shareholders at the Company's Annual General Meeting, on matters within its mandate. The Committee also reports to stakeholders

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<b>2. Boards and Directors</b>			
4.	<b>2.1</b> The board should act as the focal point for and custodian of corporate governance.	✓	<p>The Board acts as the focal point and custodian of the Group's corporate governance initiative and subscribes to ethical leadership, business sustainability, stakeholder inclusivity and sound values of good corporate governance. The governance environment is supported by the King III principles and practices and the JSE Listings Requirements.</p> <p>The Board meets at least four (4) times per year and operates in terms of a formal charter which regulates how the Board conducts business in accordance with sound corporate governance principles. In addition, a Special Corporate Governance meeting is held annually and ad hoc meetings are convened as and when required.</p>
	The board should have a charter setting out its responsibilities.	✓	The Board operates in terms of a formal charter, the purpose of which is to regulate how it conducts business in accordance with sound corporate governance principles. It sets out the Board's composition, role and responsibilities, meeting procedures, remuneration and other related matters.
	The board should meet at least four times per year.	✓	In terms of the Board Charter, the Board shall hold sufficient scheduled meetings to discharge all of its duties, subject to a minimum of four (4) meetings per year. In accordance with the Board diary four (4) Board meetings are scheduled per year, plus an additional Special Corporate Governance meeting and ad hoc meetings are convened as and when required.
	The board should monitor the relationship between management and the stakeholders of the company.	✓	The Board implements a stakeholder inclusive approach which includes the monitoring of relationships between the Board and Management and between the Company and its stakeholders. It is the responsibility of the Social, Ethics, Transformation and Sustainability Committee to monitor and report on the Group's stakeholder engagement initiatives. The Chairman of this Committee reports back to the Board on matters within the Committee's mandate.

No.	Requirement	Status	Comments
5.	<b>2.2</b> The board should appreciate that strategy, risk, performance and sustainability are inseparable.	✓	The Board contributes to and approves the Company's strategy whilst appreciating that strategy, risk, performance and sustainability are inseparable. The Board satisfies itself that the Company's strategy does not give rise to risks that have not been thoroughly assessed so as to ensure that the Company's strategy will result in sustainable outcomes.
	The board should inform and approve the strategy.	✓	In terms of the Board charter, the Board contributes to and approves the Company's strategy whilst appreciating that strategy, risk, performance and sustainability are inseparable.
	The board should satisfy itself that the strategy and business plans are not encumbered by risks that have not been thoroughly examined by management.	✓	In terms of the Board Charter, the Board satisfies itself that strategy and business plans do not give rise to risks that have not been thoroughly assessed by Management. The Board is responsible for the oversight and governance of risk, giving consideration to these matters at each meeting.
	The board should ensure that the strategy will result in sustainable outcomes taking account of people, planet and profit.	✓	In terms of the Board Charter, the Board should ensure that strategy will result in sustainable outcomes and the Board considers sustainability as a business opportunity that guides strategy formulation.  The Company has integrated the processes relating to strategy development and risk management, in order to develop a sustainable business strategy.
6.	<b>2.3</b> The board should provide effective leadership based on an ethical foundation.	✓	<i>Refer to principle 1.1 above</i>
7.	<b>2.4</b> The board should ensure that the company is and is seen to be a responsible corporate citizen.	✓	<i>Refer to principle 1.2 above</i>



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8.	<b>2.5</b> The board should ensure that the company's ethics are managed effectively.	✓	<i>Refer to principle 1.3 above</i>
9.	<b>2.6</b> The board should ensure that the company has an effective and independent audit committee.	✓	<i>Refer to principle 3.1 below</i>
10.	<b>2.7</b> The board should be responsible for the governance of risk.	✓	<i>Refer to principle 4.1 below</i>
11.	<b>2.8</b> The board should be responsible for information technology (IT) governance.	✓	<i>Refer to principle 5.1 below</i>
12.	<b>2.9</b> The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	✓	<i>Refer to principle 6.1 below</i>
13.	<b>2.10</b> The board should ensure that there is an effective risk-based internal audit.	✓	<i>Refer to principle 7.1 below</i>
14.	<b>2.11</b> The board should appreciate that stakeholders' perceptions affect the company's reputation.	✓	<i>Refer to principle 8.1 below</i>

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15.	<b>2.12</b> The board should ensure the integrity of the company's integrated report.	✓	<i>Refer to principle 9.1 below</i>
16.	<b>2.13</b> The board should report on the effectiveness of the company's system of internal controls.	✓	<i>Refer to chapter 7 and 9 below</i>
17.	<b>2.14</b> The board and its directors should act in the best interests of the company.	✓	The Board and Directors always act in the best interests of the Company, with the intention to maximise the total economic value and sustainability of the Group. Directors are committed to adhering to the legal standards of conduct and disclose any information regarding potential conflicts of interest. Directors also have the authority to access any information it requires to fulfil its responsibilities.
	The board must act in the best interests of the company.	✓	The Board always acts in the best interests of the Company, with the intention to maximise the total economic value and sustainability of the Group.
	Directors must adhere to the legal standards of conduct.	✓	Directors are committed to adhering to the legal standards of conduct and to exercise their fiduciary duties with the best interest of the Group at heart. The Company Secretary is also responsible to ensure that the Directors are aware of their statutory duties and that compliance is maintained with the governance related legislation.
	Directors or the board should be permitted to take independent advice in connection with their duties following an agreed procedure.	✓	The Board, and its committees, have the authority to access any information it requires to fulfil its responsibilities, to seek independent advice, to investigate matters falling within the parameters set for it by the relevant charters and to access any associate or officer of the Company or its subsidiaries.

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	Real or perceived conflicts should be disclosed to the board and managed.	✓	<p>Conflict of interest is a standing Board agenda item and a register of all Directors' company shareholdings, directorships held and any information regarding potential conflicts of interest is reviewed and updated.</p> <p>Directors are also required to recuse themselves from discussions on any matters in which they may have a conflict of interest.</p>
	Listed companies should have a policy regarding dealing in securities by directors, officers and selected employees.	✓	The Group operates a closed period policy in line with the JSE Listings Requirements.
18.	<b>2.15</b> 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 regularly monitors the solvency and liquidity of the Company to ensure the going concern status of the Company. In addition thereto, the Audit and Compliance Committee specifically evaluates the going concern status of the Company during its review of the financial interim and year-end results and report thereon to the Board.
	The board should ensure that the solvency and liquidity of the company is continuously monitored.	✓	<p>The solvency and liquidity of the Group is considered bi-annually at Board and Audit and Compliance Committee meetings to coincide with the declaration of dividends. It is also taken into consideration when Group strategy and forecasts are set and as required by the Companies Act.</p> <p>In addition the Audit and Compliance Committee specifically evaluate the going concern status of the Company during its review of the financial interim and year-end results and report thereon to the Board.</p>

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	The board should ensure that its consideration is fair to save a financially distressed company either by way of workouts, sale, merger, amalgamation, compromise with creditors or business rescue.	N/A	The Company is not financially distressed.
	The board should ensure that a suitable practitioner is appointed if business rescue is adopted.	N/A	The Company is not under business rescue.
	The board should ensure that the practitioner furnishes security for the value of the assets of the company.	N/A	The Company is not under business rescue.
19.	<b>2.16</b> 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.	✓	<p>The Chairman of the Board is an experienced independent non-executive Director of the Company. The role of the Chairman is formalised in the Board Charter, and accordingly the Chairman is responsible for ensuring the integrity and effectiveness of the Board and its Committees.</p> <p>The CEO of the Company is an Executive Director, whose role is separate and distinct from that of the Chairman.</p>
	The members of the board should elect a chairman on an annual basis.	✓	The composition of the Board is considered at the Special Corporate Governance Meeting annually, which includes the appointment of the Chairman.

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	The chairman should be independent and free of conflict upon appointment.	✓	Mr NG Payne was appointed as the Group's independent, non-executive Chairman on 1 January 2012, at which point he had been serving the Board and various committees as an independent non-executive Director. The independence of the Chairman is also assessed annually.
	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.	✓	Despite the Group having an independent non-executive Director as Chairman, the Board resolved for Mr MR Johnston to remain in his position as Lead Independent Director, thereby ensuring that a balance of power and authority remains on the Board and that no one individual has unfettered power of decision making. The necessity of the position of Lead Independent Director will however be reviewed on an annual basis.
	The appointment of a chairman, who is not independent, should be justified in the integrated report.	N/A	The Chairman is independent.
	The role of the chairman should be formalised.	✓	The role of the Chairman has been formalised in the Board Charter, and accordingly the Chairman is responsible for ensuring the integrity and effectiveness of the Board and its Committees.
	The chairman's ability to add value, and his performance against what is expected of his role and function, should be assessed every year.	✓	The Chairman's performance is assessed annually with suggested improvements communicated to the Chairman by the Lead Independent Director.
	The CEO should not become the chairman until 3 years have lapsed.	N/A	The chairman was at no stage appointed as the CEO of the Company.

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	The chairman, together with the board, should consider the number of outside chairmanships held.	✓	The Chairman's outside directorships and interests were considered on his appointment as Chairman. It is also considered at all Board meetings as it is included in the Directors Interest Schedule.
	The board should ensure a succession plan for the role of the chairman.	✓	The Board's current succession plan, which includes succession plan for the Chairman, allows for the scheduled retirement of older Board members and, with the introduction of appropriately skilled and mentored new members, ensures the continuity of a vibrant and knowledgeable Board.
20.	<b>2.17</b> The board should appoint the chief executive officer and establish a framework for the delegation of authority.	✓	<p>The Board appoints the CEO and his performance is reviewed on an annual basis. The role of the CEO has been formalised in the Board Charter, and accordingly the CEO is responsible for providing executive leadership and is accountable to the Board for the implementation of strategies, objectives and decisions within the framework of the delegated authorities, values and policies of the Group.</p> <p>The Board is responsible to define levels of materiality, reserving specific powers to the Board and delegating other matters with the necessary written authority to management. In this regard, the Board has approved a Delegation of Authority Policy which delineates the approved levels of authority relating to the Board, CEO and Management.</p>
	The board should appoint the CEO.	✓	All appointments of non-executive Directors are approved by the Board.
	The board should provide input regarding senior management appointments.	✓	Although the Board provides input, the CEO has the authority to appoint and remove divisional directors and executives, including the CFO.
	The board should define its own level of materiality and approve a delegation of authority framework.	✓	The Board is responsible to define levels of materiality, reserving specific powers to the Board and delegating other matters with the necessary written authority to management.

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	The board should ensure that the role and function of the CEO is formalised and the performance of the CEO is evaluated against the criteria specified.	✓	The role of the CEO has been formalised in the Board Charter, and accordingly the CEO is responsible for providing executive leadership and is accountable to the Board for the implementation of strategies, objectives and decisions within the framework of the delegated authorities, values and policies of the Group. The CEO's performance is evaluated annually.
	The board should ensure succession planning for the CEO and other senior executives and officers is in place.	✓	The Board's current succession plan, which includes a succession plan for the CEO, allows for the scheduled retirement of Board members and, with the introduction of appropriately skilled and mentored new members, ensures the continuity of a vibrant and knowledgeable Board.
21.	<b>2.18</b> The board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent.	✓	<p>The Board comprises of ten (10) Directors, eight (8) of whom are non-executive Directors. Of these non-executive Directors, six (6) Directors were classified as being independent. There are currently two (2) executive Directors on the Board, namely the CEO and the CFO. In addition, there are two (2) alternate directors.</p> <p>The Board annually reviews its size, composition and mix and is satisfied that it is operating efficiently with an appropriate balance of retail and non-retail skills to maximise its decision making abilities.</p>
	The majority of board members should be non-executive directors. The majority of the non-executive directors should be independent.	✓	The Board comprises of a majority of non-executive Directors, a majority of whom are independent.

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	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.	✓	It is the objective of the Board to maintain a good representation of fashion/value retail experience, whilst consideration is also given to the contribution afforded by skills and experience in other disciplines which will strengthen the decision making abilities of the Board.  The Company has a Skills Matrix in place, which is reviewed and updated on an annual basis. This allows the Board to identify the absence of a particular skill or attribute and to address same through the Board appointment process and training programmes.
	Every board should consider whether its size, diversity and demographics make it effective.	✓	The Board is satisfied that it is operating efficiently, with an appropriate balance of retail and non-retail skills. The age profile, racial and gender demographics are reviewed on an annual basis.
	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.	✓	There are currently two (2) executive directors on the Board, namely the CEO and the CFO.
	At least one third of the non-executive directors should rotate every year.	✓	In accordance with the requirements of the Companies Act and the Group's MOI, one third of the non-executive Directors retire by rotation every year, at which time they may be considered for re-election at the AGM.
	The board, through its nomination committee, should recommend the eligibility of prospective directors.	✓	Nominations for suitable candidates are requested from Board members and Management and a suitable candidate, who has the necessary skills set, is approached and his/her CV circulated to the Remuneration and Nominations Committee for review.  If the candidate is considered potentially suitable by the Remuneration and Nominations Committee, then their CV is escalated to the Board for consideration. All appointments are made in line with the Board procedure.



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	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.	✓	The potential impact that the length of service of a Director has on their independence are considered by the Board when required.
	The board should include a statement in the integrated report regarding the assessment of the independence of the independent non-executive directors.	✓	Such statement is included in the Annual Integrated Report.
22.	<b>2.19</b> Directors should be appointed through a formal process.	✓	There is a policy in place with respect to the appointments to the Board, and the Board, through the Remuneration and Nominations Committee, recommends the eligibility of prospective Directors. All aspects regarding Directors are disclosed in the Annual Integrated Report of the Company, which include, but are not limited to independence, remuneration, background and abridged CV.
	A nomination committee should assist with the process of identifying suitable members of the board.	✓	Nominations for suitable candidates are requested from Board members and Management and suitable candidates are reviewed by the Remunerations and Nominations Committee.
	Background and reference checks should be performed before the nomination and appointment of directors.	✓	Background and reference checks are performed prior to the appointment of all new Directors.

No.	Requirement	Status	Comments
	The appointment of non-executive directors should be formalised through a letter of appointment.	✓	The Appointments to the Board Policy requires that a Letter of Appointment be issued and countersigned by any new Director.
	The board should make full disclosure regarding individual directors to enable shareholders to make their own assessment of directors.	✓	All aspects regarding Directors are disclosed in the Annual Integrated Report of the Company, which include, but are not limited to independence, remuneration, background and abridged CV.
23.	<b>2.20</b> The induction of and on-going training and development of directors should be conducted through formal processes.	✓	There is an appropriate induction and mentoring programme in place for new Directors. The Directors are primarily responsible for acquiring the skills necessary for the effective discharge of their duties, although the Group does share in this responsibility. To this end, relevant briefings/presentations, including industry and socio-economic updates are facilitated. Directors are also afforded the opportunity to attend relevant training courses, divisional merchandise windows and have access to advisors and the Company Secretary.
	The board should ensure that a formal induction programme is established for new directors.	✓	There is an appropriate induction and mentoring programme in place for new Directors.
	The board should ensure that inexperienced directors are developed through mentorship programmes. The board should ensure that continuing professional development programmes are implemented.	✓	The Directors are primarily responsible for acquiring the skills necessary for the effective discharge of their duties, although the Group does share in this responsibility. To this end, relevant briefings/presentations, including industry and socio-economic updates are facilitated. Directors are also afforded the opportunity to attend relevant training courses, divisional merchandise windows and have access to advisors and the Company Secretary. Furthermore, the Lead Independent Director makes himself available for personal mentoring should any Director require additional assistance.

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	The board should ensure that directors receive regular briefings on changes in risks, laws and the environment.	✓	Relevant briefings/presentations, including industry and socio-economic updates are facilitated. Directors are also afforded the opportunity to attend relevant training courses, divisional merchandise windows and have access to advisors and the Company Secretary.
24.	<b>2.21</b> The board should be assisted by a competent, suitably qualified and experienced company secretary.	✓	The Board has appointed a competent, suitably qualified and experienced Company Secretary and her role has been formalised in the Board Charter and she is accountable to the Board.  The Board believes that the Company Secretary maintains an arms' length relationship with the Board and satisfies itself on an annual basis on the competence, qualifications and experience of the Company Secretary.
	The board should appoint and remove the company secretary.	✓	The Company Secretary is appointed by the Board.
	The board should empower the individual to enable him to properly fulfil his duties.	✓	The Company Secretary is independent to the Board and her duties have been formalised in the Board Charter.
	The company secretary should have an arms-length relationship with the board and the company secretary should not be a director of the company.	✓	The Board believes that the Company Secretary maintains an arms' length relationship with the Board as she is not a Director, nor is she related or connected to any of the Directors, thereby negating any potential conflict of interest This matter is reviewed by the Board on an annual basis.
	The company secretary should assist the nominations committee with the appointment of directors.	✓	The Company Secretary assists with the formulation and updating of the skills matrix, which drives the succession plan. In addition, she is responsible for administratively supporting the Remuneration and Nominations Committee with the appointment of new Directors.

No.	Requirement	Status	Comments
	The company secretary should assist with the director induction and training programmes.	✓	The Company Secretary is responsible for the compilation and distribution of the Directors' induction pack and for facilitating any meetings with management that should be required.
	The company secretary should provide guidance to the board on the duties of the directors and good governance.	✓	The Company Secretary advises the Board on the applicable laws and rules for the conduct of the affairs of the Board in order to ensure that same is complied with.
	The company secretary should ensure board and committee charters are kept up to date.	✓	The Company Secretary ensures that Board procedures (mandates, charters and policies) are followed and reviewed regularly.
	The company secretary should prepare and circulate board papers.	✓	The Company Secretary provides administrative support to the Board and the Board sub-committees.
	The company secretary should elicit responses, input, feedback for board and board committee meetings.	✓	The Company Secretary drafts the agendas for all Board and Board Committee meetings, liaising with the chairmen and members of the committees for input on the matters to be discussed.
	The company secretary should assist in drafting yearly work plans.	✓	The Company Secretary is responsible for maintaining and updating the Board and Board Committee diaries, which are reviewed and approved by the Board and Board Committees annually.
	The company secretary should ensure preparation and circulation of minutes of board and committee meetings.	✓	The Company Secretary is accountable to the Board for ensuring that minutes of the Board and its Committees are circulated to the respective members in a timely manner.

No.	Requirement	Status	Comments
	The company secretary should assist with the evaluation of the board, committees and individual directors.	✓	The Company Secretary administratively supports the Board, Board Committee and individual Directors' annual evaluations and liaises with the Lead Independent Director in respect of the formulation of identified action steps.
25.	<b>2.22</b> The evaluation of the board, its committees and the individual directors should be performed every year.	✓	Annual evaluations of the Board, its committees and directors are conducted under the sponsorship of the Board and Committee Chairmen. Evaluations operate in a three year cycle with a comprehensive evaluation being undertaken in the first year, from which Steps for improvement are compiled. Progress against these Steps is measured in the subsequent two years.
	The board should determine its own role, 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.	✓	Board and Committee Charters are used to determine the Board's role, function, duties and performance criteria. These are reviewed and evaluated annually. .
	Yearly evaluations should be performed by the chairman or an independent provider.	✓	Under the sponsorship of the Board and Committee Chairmen, self-evaluation assessments are undertaken annually and action plans implemented to address areas of concern identified.
	The results of performance evaluations should identify training needs for directors.	✓	Areas for improvement for individual Directors are identified during the evaluation process and communicated to the Directors concerned via the Chairman and Lead Independent Director.
	An overview of the appraisal process, results and action plans should be disclosed in the integrated report.	<b>Partial application</b>	An overview of the performance review process is disclosed the Annual Integrated Report. The Board is of the opinion that due to the sensitive nature of certain of the evaluation results, particularly as it pertains to individual Director development, it would not be prudent to disclose same.

No.	Requirement	Status	Comments
	The nomination for the re-appointment of a director should only occur after the evaluation of the performance and attendance of the director.	✓	Director performance is evaluated annually, and accordingly no director is put forward for rotation and re-election without having been evaluated by the Board.
26.	<b>2.23</b> The board should delegate certain functions to well-structured committees but without abdicating its own responsibilities.	✓	Three (3) Board Committees are in place to assist the Board in discharging its responsibilities. Each of the Committees operates under a mandate approved by the Board. All Committees are constituted in terms of relevant legislation and best practice recommendation.
	Formal terms of reference should be established and approved for each committee of the board.	✓	Each Committee operates under a mandate approved by the Board and annually reviewed.
	The committees' terms of reference should be reviewed yearly.	✓	Each Committee is responsible for reviewing its mandate and recommend any amendments arising to the Board for approval.
	The committees should be appropriately constituted and the composition and the terms of reference should be disclosed in the integrated report.	✓	All committees are constituted in terms of relevant legislation and best practice recommendation, with details being disclosed in the Annual Integrated Report.
	Public and state-owned companies must appoint an audit committee.	✓	An Audit and Compliance Committee is constituted as a statutory committee of the Company.

No.	Requirement	Status	Comments
	Companies should establish risk, nomination and remuneration committees.	✓	The Remuneration and Nominations Committee is combined into one committee. The Risk Committee was dissolved with risk management and oversight of the risks and opportunities associated with the group's strategy, has reverted to the Board as a whole. This ensure a fuller appreciation of the risks and opportunities and enables a more comprehensive understanding amongst all Directors and a more robust discussion.
	Committees, other than the risk committee, should comprise a majority of non-executive directors of which the majority should be independent.	✓	All the Board Committees, comprise a majority of non-executive Directors, with the majority being independent.
	External advisors and executive directors should attend committee meetings by invitation.	✓	Executive Directors are invited to all Committee meetings and Committees have the authority to invite external professional advisors to attend any meeting as necessary or appropriate. The Company's internal and external auditors are invited to attend all Audit and Compliance Committee meetings.
	Committees should be free to take independent outside professional advice at the cost of the company subject to an approved process being followed.	✓	In terms of the Board Charter, all Committees and Directors are authorised to seek independent advice at the expense of the Company, as and when necessary.
27.	<b>2.24</b> A governance framework should be agreed between the group and its subsidiary boards.	✓	All policies, frameworks, charters and mandates are approved by the Board of the holdings Company and are implemented throughout the Group.  Committees of the holdings Board are also required to consider matters that affect the entire Group, and to this end all committees performs the functions required on behalf of the subsidiaries.

No.	Requirement	Status	Comments
	Listed subsidiaries must comply with the rules of the relevant stock exchange in respect of insider trading.	✓	The Group does not have any listed subsidiaries.
	The Holding Company must respect the fiduciary duties of the director serving in a representative capacity on the board of the subsidiary.	✓	. The holding company does respect the fiduciary duties of directors of subsidiaries, with appropriate contracts and indemnities in place.
	The implementation and adoption of policies, processes or procedures of the Holding Company should be considered and approved by the subsidiary company.	✓	To give effect to proper governance and to avoid dilution of the Group's philosophies, all policies, frameworks, charters and mandates that are approved by the Board of the Holdings Company, are implemented throughout the Group.
	Disclosure should be made on the adoption of the Holding Company's policies in the integrated report of the subsidiary company.	N/A	N/A – Except for once subsidiary held in a joint venture agreement with one other shareholder, all subsidiaries are wholly-owned by the Holding Company, and accordingly do not have any outside shareholding, these companies do not produce integrated reports. As required by law, the subsidiaries produce annual financial statements.



No.	Requirement	Status	Comments
28.	<b>2.25</b> Companies should remunerate directors and executives fairly and responsibly.	✓	<p>The Directors recognise that remuneration policies and practices are of utmost importance. In this regard, the Board and shareholders have approved the Group's remuneration policy, which aims to create partnerships with associates in the journey of continued growth through market related base pay and benefits, attractive performance-driven incentives, recognition and reward programmes and share option schemes.</p> <p>In terms of its Charter, it is the responsibility of the Remuneration and Nominations Committee to ensure that the Company remunerates Directors, executives and staff fairly and responsibly.</p>
	Companies should adopt remuneration policies aligned with the strategy of the company and linked to individual performance.	✓	The Board sets the remuneration framework for all associates, as recommended by the Remuneration and Nominations Committee. The ability to attract, retain and motivate competent people is critical to the Group's continued growth and long-term sustainability and is therefore the core of the remuneration philosophy.
	The remuneration committee should assist the board in setting and administering remuneration policies.	✓	In terms of its Mandate, it is the responsibility of the Remuneration and Nominations Committee to ensure that the Company remunerates Directors, executives and staff fairly and responsibly.
	The remuneration policy should address base pay and bonuses, employee contracts, severance and retirement benefits and share-based and other long-term incentive schemes.	<b>Partial application</b>	<p>The remuneration philosophy aims to create partnerships with associates in the journey of continued growth through market related base pay and benefits, attractive performance-driven incentives, recognition and reward programmes and share option schemes.</p> <p>The Company does not disclose the present value of long-term awards due to the varied models and unpredictable forecasting element required to determine the value of the share options upon vesting. However, full details of each award are given enabling stakeholders to value such future awards on whatever basis they deem appropriate.</p>

No.	Requirement	Status	Comments
	Non-executive fees should comprise a base fee as well as an attendance fee per meeting.	✓	The Board has always felt that Directors contribute as much outside of meetings as they contribute within the meetings and the most important criterion for selection is skill. In addition, non-executive Directors are available to provide assistance to executive Directors throughout the year. For these reasons, remuneration is solely in the form of a retainer and no attendance fee per meeting is paid.
29.	<b>2.26</b> Companies should disclose the remuneration of each individual director and prescribed officers.	✓	The Remuneration Report, as included in the Annual Integrated Report and audited by the external auditors, sets out the remuneration of each individual director as well as the prescribed officers, which includes the policy on base pay, participation in share incentive schemes and any material payments.
	The remuneration report, included in the integrated report, should include all benefits paid to directors and prescribed officers.	✓	The Remuneration Report, as included in the Annual Integrated Report sets out all benefits paid to directors and prescribed officers.
	The remuneration report, included in the integrated report, should include the policy on base pay.	✓	The Remuneration Report, as included in the Annual Integrated Report sets out the policy on base pay.
	The remuneration report, included in the integrated report, should include participation in share incentive schemes.	✓	The Remuneration Report, as included in the Annual Integrated Report includes details with respect to participation in share incentive schemes.
	The remuneration report, included in the integrated report, should include the use of benchmarks.	✓	The Remuneration Report, as included in the Annual Integrated Report discloses that benchmarking comparisons are made against companies listed on the JSE, the retail sector and/or specified industries for specialised positions.

No.	Requirement	Status	Comments
	The remuneration report, included in the integrated report, should include incentive schemes to encourage retention.	✓	The Remuneration Report, as included in the Annual Integrated Report includes details on the Company's incentive schemes.  A mix between long and short term incentive schemes encourages on-going equity ownership in the Company, with the intention that associates should share in the Group's long-term success.
	The remuneration report, included in the integrated report, should include justification of salaries above the median.	✓	The Remuneration Report, as included in the Annual Integrated Report provides details with respect to salaries above the median, where applicable.
	The remuneration report, included in the integrated report, should include material payments that are ex-gratia in nature.	✓	The Remuneration Report, as included in the Annual Integrated Report confirms that no material ex-gratia payments were routinely paid.
	The remuneration report, included in the integrated report, should include policies regarding executive employment.	✓	The Remuneration Report, as included in the Annual Integrated Report includes details on the policies with respect to executive employment.
	The remuneration report, included in the integrated report, should include the maximum expected potential dilution as a result of incentive awards.	✓	The Remuneration Report included in the Annual Integrated Report discloses the maximum expected potential dilution as a result of incentive awards. However, the Group's current policy is to purchase shares on the open market to satisfy the requirements of the various share schemes, as opposed to issuing new shares.
30.	<b>2.27</b> Shareholders should approve the company's remuneration policy.	✓	Shareholders are provided with the opportunity to approve the Remuneration Policy of the Company by way of a non-binding advisory vote at the Annual General Meetings of shareholders.

No.	Requirement	Status	Comments
	Shareholders should pass a non-binding advisory vote on the company's yearly remuneration policy.	✓	Shareholders are provided with the opportunity to approve the Remuneration Policy of the Company by way of a non-binding advisory vote at the Annual General Meetings of shareholders.
	The board should determine the remuneration of the directors in accordance with the remuneration policy put to the shareholder's vote.	✓	Remuneration of Directors is based on the Remuneration Policy of the Company which has been approved by both the Board and shareholders by way of a non-binding advisory vote.
<b>3. Audit Committees</b>			
31.	<b>3.1</b> The board should ensure that the company has an effective and independent audit committee	✓	The Audit and Compliance Committee has been established by the Board and comprises of four (4) independent non-executive Directors. The mandate of the Committee is approved by the Board and reviewed annually.
	Listed and state-owned companies must establish an audit committee.	✓	An Audit and Compliance Committee has been established.
	All other companies should establish an audit committee and define its composition, purpose and duties in the memorandum of incorporation.	✓	The composition, purpose and duties of the Audit and Compliance Committee are clearly set out in the Committee's mandate.
	The board should approve the terms of reference of the audit committee.	✓	The Board has approved the mandate of the Audit and Compliance Committee. The Committee is responsible for reviewing and assessing the adequacy of its mandate and meeting structure annually, subject to Board approval.

No.	Requirement	Status	Comments
	The audit committee should meet as often as is necessary to fulfil its functions but at least twice a year.	✓	The Committee's mandate states that sufficient scheduled meetings must be held to discharge all of the Committee's duties, but subject to a minimum of two (2) meetings per year. Four (4) Committee meetings are generally held per year.
	The audit committee should meet with internal and external auditors at least once a year without management being present.	✓	The Audit Committee holds separate private meetings with both the Internal and External auditors on an annual basis.
32.	<b>3.2</b> Audit committee members should be suitably skilled and experienced independent non-executive directors	✓	The members of the Audit and Compliance Committee are all independent non-executive Directors of the Company. Members of the Committee are suitably skilled and collectively have sufficient qualifications and experience to fulfil their duties.
	All members of the audit committee should be independent non-executive directors.	✓	The members of the Audit and Compliance Committee are all independent non-executive Directors of the Company. The Charter further requires that members of the Committee be non-executive Directors and meet all applicable independence requirements.
	The audit committee should consist of at least three members.	✓	The Audit and Compliance Committee currently comprises of four (4) members.
	The chairman of the board should not be the chairman or member of the audit committee.	✓	The Chairman of the Board is not the Chairman of the Audit and Compliance Committee. The Committee's mandate further states that the Chairman of the Board shall not be eligible to be a member of the Committee, but may attend Committee meetings as an invitee.
	The committee collectively should have sufficient qualifications and experience to fulfil its duties.	✓	The Charter requires that the members of the Committee should be suitably skilled and should collectively have sufficient qualifications and experience to fulfil their duties. This is assessed annually through self-evaluations conducted under the sponsorship of the Chairman.

No.	Requirement	Status	Comments
	The audit committee members should keep up-to-date with developments affecting the required skill-set.	✓	The Directors are primarily responsible for acquiring the skills necessary for the effective discharge of their duties, although the Group does share in this responsibility. To this end, relevant briefings/presentations, including industry and socio-economic updates are facilitated. Directors are also afforded the opportunity to attend relevant training courses, divisional merchandise windows and have access to advisors and the Company Secretary.
	The committee should be permitted to consult with specialists or consultants subject to a board-approved process.	✓	The Committee has the authority to access any information it needs to fulfil its responsibilities and to seek independent advice.
	The board must fill any vacancies on the audit committee.	✓	All sub-committee membership appointments are approved by the Board and the Audit Committee members are approved annually by shareholders at the AGM. The Committee mandate furthermore requires that the Board fill vacancies on the Committee within forty (40) business days after the vacancy arises, as far as possible.
33.	<b>3.3</b> The audit committee should be chaired by an independent non-executive director	✓	The Chairman of the Committee, which has been appointed by the Board, is an independent non-executive Director of the Company.
	The board should elect the chairman of the audit committee.	✓	The Chairman of the Committee is appointed by the Board.
	The chairman of the audit committee should participate in setting and agreeing the agenda of the committee.	✓	The Company Secretary, in conjunction with the Chairman of the Committee, is responsible for determining the meeting agendas.

No.	Requirement	Status	Comments
	The chairman of the audit committee should be present at the AGM.	✓	The Committee mandate requires that the Chairman of the Committee attend the Annual General Meetings to answer questions, through the Chairman of the Board, on the Committee's activities and its responsibilities.
34.	<b>3.4</b> The audit committee should oversee integrated reporting	✓	In accordance with its mandate, the Audit and Compliance Committee is responsible for overseeing the integrated reporting process and considers all factors and risks that may impact on the integrity of the integrated report. The contents of the Annual Integrated Report is reviewed by the Committee and recommended to the Board for approval.
	The audit committee should have regard to all factors and risks that may impact on the integrity of the integrated report.	✓	The Audit and Compliance Committee considers all factors and risks that may impact on the integrity of the integrated report, including significant judgments and reporting decisions made, monitoring or enforcement actions by a regulatory body, any evidence that brings into question previously published information, forward-looking statements or information.
	The audit committee should review and comment on the financial statements included in the integrated report.	✓	The Committee comments in the annual integrated report on the financial statements, the accounting practices and the effectiveness of the internal financial controls.
	The audit committee should review the disclosure of sustainability issues in the integrated report to ensure that it is reliable and does not conflict with the financial information.	✓	The Committee, in conjunction with the Social, Ethics, Transformation and Sustainability Committee, review the disclosure of sustainability issues in the integrated report to ensure that it is reliable and does not conflict with the financial information.

No.	Requirement	Status	Comments
	The audit committee should recommend to the board to engage an external assurance provider on material sustainability issues.	✓	The Audit and Compliance Committee does consider whether the external auditors should perform assurance procedures on the Company's results. Given the early stage of development of sustainability and its reporting, external assurance providers have not been considered necessary.  BEESCORE, a SANAS accredited BEE Verification Agent, assists the Group's with its BEE calculation.
	The audit committee should consider the need to issue interim results.	✓	In compliance with the JSE Listings Requirements, the Company issues interim results on SENS and in the press.
	The audit committee should review the content of the summarised information.	✓	The Committee is responsible for reviewing the content of summarised information to confirm whether it provides a balanced view.
	The audit committee should engage the external auditors to provide assurance on the summarised financial information.	✓	The Committee engages the external auditors to provide assurance on any summarised financial information, when applicable.
35.	<b>3.5</b> The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.	✓	The Group has implemented the three-lines-of-defence combined assurance framework in order to integrate assurance on the Group's key risks. In accordance with its mandate, the Audit and Compliance Committee ensures that a combined assurance model is applied to provide a co-ordinated approach to all assurance activities.



No.	Requirement	Status	Comments
	The audit committee should ensure that the combined assurance is received and is appropriate to address all the significant risks facing the company.	✓	The Audit Committee annually considers the combined assurance parties and activities to determine if it covers all key risks, in particular it considers whether: <ul style="list-style-type: none"> <li>all key strategic and risk themes have been adequately included,</li> <li>the proposed assurance parties are appropriate (including appropriateness of skills and organisational positioning),</li> <li>the planned assurance activities would be adequate and sufficiently comprehensive for the purposes of supporting assurance,</li> <li>any strategic/risk areas require additional independent assurance, and</li> <li>any changes are required to the approved scope of work of Internal Audit, External Audit and Specialist Consultants.</li> </ul>
	The relationship between the external assurance providers and the company should be monitored by the audit committee.	✓	In accordance with its mandate, the Audit and Compliance Committee monitors the relationship between external assurance providers and the company and holds private meetings with such parties on a bi-annual basis. .
36.	<b>3.6</b> The audit committee should satisfy itself of the expertise, resources and experience of the company's finance function.	✓	The Audit and Compliance Committee evaluates the effectiveness of the Chief Financial Officer and the Company's finance function on an annual basis. The Audit and Compliance Committee has reported in the Annual Integrated Report that it is satisfied that the Chief Financial Officer possesses the appropriate expertise and experience to meet his responsibilities and that the Company's financial function incorporates the necessary expertise, resources and experience to adequately carry out its responsibilities.
	Every year a review of the finance function should be performed by the audit committee.	✓	The Committee reviews the expertise, resources and experience of the Company's finance function on an annual basis and discloses the results in the Annual Integrated Report.
	The results of the review should be disclosed in the integrated report.	✓	The results of the review are disclosed in the Company's Annual Integrated Report.

No.	Requirement	Status	Comments
37.	<b>3.7</b> The audit committee should be responsible for overseeing of internal audit.	✓	The Audit and Compliance Committee, in conjunction with the Board, is responsible for approving the internal audit mandate, scope of work, organisational positioning and independence and for the appointment and removal of the Head of Governance and Assurance, who currently serves in the role as Chief Audit Executive.
	The audit committee should be responsible for the appointment, performance assessment and/or dismissal of the Chief Audit Executive (“CAE”).	✓	In conjunction with the Board, the Committee is responsible for the appointment and/or dismissal of the Chief Audit Executive (CAE). The Head of Governance and Assurance shall serve in the role as CAE and her performance is evaluated annually.
	The audit committee should approve the internal audit plan.	✓	The Audit and Compliance Committee reviews and approves the internal audit mandate, plan, objectives, goals, independence, staffing and budget.
	The audit committee should ensure that the internal audit function is subjected to an independent quality review as and when the committee determines it appropriate.	✓	The Committee’s mandate states that the Audit and Compliance Committee ensures that the internal audit function is subject to a quality review, as and when the Committee determines it appropriate and in accordance with the requirements of the internal audit standards.
38.	<b>3.8</b> The audit committee should be an integral component of the risk management process.	✓	The Audit and Compliance Committee forms an integral component of the risk management process. The Committee’s mandate sets out its responsibilities in terms of risk management, which includes the specific oversight of financial reporting risks, internal financial controls, fraud risks as they relate to financial reporting and IT risks as they relate to financial reporting.
	The charter of the audit committee should set out its responsibilities regarding risk management.	✓	The Committee’s mandate confirms that the purpose of the Committee is, <i>inter alia</i> , to assist the Board with the discharging of its responsibility to operate adequately and to ensure that effective systems of internal control, risk management and governance are in place.

No.	Requirement	Status	Comments
	The audit committee should specifically have oversight of financial reporting risks, fraud risks as it relates to financial reporting, and IT risks as it relates to financial reporting.	✓	The Committee forms an integral component of the risk management process and specifically oversees: <ul style="list-style-type: none"> <li>• financial reporting risks;</li> <li>• internal financial controls;</li> <li>• fraud risks as it relates to financial reporting; and</li> <li>• IT risks as it relates to financial reporting.</li> </ul>
39.	<b>3.9</b> The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process.	✓	The Audit and Compliance Committee is responsible for overseeing the external audit process, fees and terms of engagement of the external auditors and to recommend same for approval to the Board. The Audit and Compliance Committee / Board also recommend the appointment of the external auditor for approval by shareholders at the Company's AGM.
	The audit committee must nominate the external auditor for appointment. The audit committee must approve the terms of engagement and remuneration for the external audit engagement.	✓	The Committee recommends the appointment, fees and terms of engagement of the external auditor to the Board annually, with the appointment being subject to shareholder approval at the Company's AGM
	The audit committee must monitor and report on the independence of the external auditor.	✓	The Committee reviews and satisfies itself with the independence of the external auditor, which is disclosed in the Annual Integrated Report.

No.	Requirement	Status	Comments
	The audit committee must define a policy for non-audit services provided by the external auditor and must approve the contracts for non-audit services.	✓	The Committee is responsible for determining the nature and extent of non-audit services provided by the auditors to the Company and any non-audit services are pre-approved by the Committee.
	The audit committee should be informed of any Reportable Irregularities identified and reported by the external auditor.	✓	The Committee ensures that there is a process for the members to be informed of any Reportable Irregularities (as identified in the Auditing Profession Act, 2005) as identified and reported by the external auditor. The auditors therefore present their audit findings to the Audit and Compliance Committee when the annual financial statements of the Company are considered. This would include reportable irregularities, should any be identified.
	The audit committee should review the quality and effectiveness of the external audit process.	✓	The Audit Committee reviews the quality and effectiveness of the external audit process, evaluates the performance of the auditor, and recommends the appointment or discharge of the auditors for shareholder approval at the Annual General Meeting.
40.	<b>3.10</b> The audit committee should report to the board and shareholders on how it has discharged its duties.	✓	The Audit and Compliance Committee reports to the Board and to shareholders on how it has discharged its duties in terms of its mandate. To this end, an Audit and Compliance Committee report is included in the Annual Integrated Report.
	The audit committee should report internally to the board on its statutory duties and duties assigned to it by the board.	✓	Subsequent to Committee meetings, the Chairman of the Committee reports to the Board (at Board meetings) on its proceedings, activities, issues and related recommendations and on all significant matters within its duties and responsibilities.

No.	Requirement	Status	Comments
	The audit committee must report to the shareholders on its statutory duties.	✓	An Audit and Compliance Committee report, which set out how the Committee has discharged its responsibilities, are included in the Annual Integrated Report.
	The audit committee should provide a summary of its role and details of its composition, number of meetings and activities, in the integrated report.	✓	An Audit and Compliance Committee report, which provides a summary of the Committee's role and details of its composition, number of meetings and activities, is included in the Annual Integrated Report.
	The audit committee should recommend the integrated report for approval by the board.	✓	The Committee oversees integrated reporting and recommends the integrated report for approval to the Board.
<b>4. The Governance of Risk</b>			
41.	<b>4.1</b> The board should be responsible for the governance of risk.	✓	The Board takes responsibility for the governance of risk, and this is confirmed in the Board Charter. The Risk Committee was dissolved with risk management and oversight of the risks and opportunities associated with the group' strategy, reverting to the Board as a whole. This ensures a fuller appreciation of the risks and opportunities and enables a more comprehensive understanding amongst all Directors and a more robust discussion..
	A policy and plan for a system and process of risk management should be developed.	✓	The Enterprise-wide Risk Management (ERM) Framework, which guides the Group's approach to identifying, evaluating and responding to key opportunities and risks that may impact on strategic objectives, is reviewed and approved annually for appropriateness.

No.	Requirement	Status	Comments
	The board should comment in the integrated report on the effectiveness of the system and process of risk management.	✓	The Board confirmed in the Annual Integrated Report that the Group has adopted a robust model of combined assurance as it recognises that a co-ordinated approach to risk management is required, in order to effectively manage, monitor and mitigate key risks.
	The board's responsibility for risk governance should be expressed in the board charter.	✓	The Board Charter states that it is the Board's responsibility for, <i>inter alia</i> , the oversight of risk governance and risk management throughout the Group.
	The induction and on-going training programmes of the board should incorporate risk governance.	✓	Upon induction, Directors are briefed of the most important risks facing the Group. Risk governance and risk management has been integrated with the strategy process and is thus reviewed on a continual basis. In addition risk governance and management is considered at every board meeting, providing ongoing training for the Board as a whole.
	The board's responsibility for risk governance should manifest in a documented risk management policy and plan.	✓	In terms of the ERM Framework, the Board is responsible for the oversight of risk governance. The documented ERM Framework guides the Group's approach to identifying, evaluating and responding to key opportunities and risks that may impact on strategic objectives and is reviewed and approved annually for appropriateness.
	The board should approve the risk management policy and plan.	✓	The Board is responsible on an annual basis, for reviewing and approving the ERM strategy and framework.

No.	Requirement	Status	Comments
	The risk management policy should be widely distributed throughout the company.	✓	The ERM Framework, which includes the risk management policy, is reviewed and communicated to all divisional MD's on an annual basis. In addition the policy is applied by the divisions in their risk management processes and divisional risk champions and facilitators are in place to embed risk management.
	The board should review the implementation of the risk management plan at least once a year.	✓	The risk management plan is integrated into the strategy document which the board reviews and approves annually. In addition, there are quarterly reports from the ERM function to the Board on the implementation of risk management.
	The board should ensure that the implementation of the risk management plan is monitored continually.	✓	The Board receives and considers the quarterly reports from the ERM function on the implementation of risk management.
42.	<b>4.2</b> The board should determine the levels of risk tolerance.	✓	The Board approves the Group's risk appetite and tolerance policy. The Board has formally defined its appetite for risk, which is reviewed on an annual basis.
	The board should set the levels of risk tolerance once a year.	✓	The Board approves the Group risk appetite and tolerance on an annual basis.

No.	Requirement	Status	Comments
	The board may set limits for the risk appetite. The board should monitor that risks taken are within the tolerance and appetite levels.	✓	The Board has formally defined its appetite for risk, which is reviewed annually. The risk appetite was defined after taking into consideration the Group strategy, stakeholder expectations and the risk profile. The Group encourages entrepreneurial behaviour, but assesses any associated risks carefully. The ERM function continually monitors and reports to the Board whether risks taken are within the tolerance and appetite levels.
43.	<b>4.3</b> The risk committee or audit committee should assist the board in carrying out its risk responsibilities.	✓	The Board is responsible for the oversight of risk governance and risk management. It is supported by the Audit and Compliance Committee, which specifically oversees financial reporting risks, internal financial controls, fraud risks as they relates to financial reporting and IT risks as they relate to financial reporting.
	The board should appoint a committee responsible for risk.	✓	The previously established Board Risk Committee was dissolved with risk management and oversight of the risks and opportunities associated with the group' strategy, reverting to the Board as a whole. Risk is a standard agenda item at each board meeting ensuring the integration of strategy and risk. This enables a fuller appreciation of the risks and opportunities by all Directors and facilitates a more robust risk discussion.
	The risk committee should consider the risk management policy and plan and monitor the risk management process.	✓	The Board is responsible for reviewing and approving the ERM strategy and framework and monitors the implementation thereof.



No.	Requirement	Status	Comments
	The risk committee should have as its members executive and non-executive directors, members of senior management and independent risk management experts to be invited, if necessary.	✓	The Board consists of a mix of executive and independent non-executive directors. Subject matter experts and members of management are invited to attend risk sections of the Board meetings to provide greater insight into the matters under consideration.
	The risk committee should have a minimum of three members.	✓	The whole Board is responsible for the oversight of risk governance and risk management.
	The risk committee should convene at least twice per year.	✓	The Board meets 4 times per year and risk management is discussed at each meeting
	The performance of the committee should be evaluated once a year by the board.	✓	Board evaluations are undertaken on an annual basis. These evaluations include the evaluation of the board's responsibility for the oversight of risk governance and risk management.
44.	<b>4.4</b> The board should delegate to management the responsibility to design, implement and monitor the risk management plan.	✓	Management is accountable to the Board for designing, implementing and monitoring the process of risk management and integrating it into the day-to-day activities of the Group.

No.	Requirement	Status	Comments
	The board's risk strategy should be executed by management by means of risk management systems and processes. Management is accountable for integrating risk in the day-to-day activities of the company.	✓	Management is accountable to the Board for designing, implementing and monitoring the process of risk management and integrating it into the day-to-day activities of the Group.
	The Chief Risk Officer ("CRO") should be a suitably experienced person who should have access and interact regularly on strategic matters with the board and/or appropriate board committee and executive management.	✓	<p>The Head of Governance and Assurance serves as the Head of Risk, and is a suitably qualified CIA, CISA and CRISC. She is strategically positioned within the Group, she reports administratively to the CFO and functionally to the chairman of the Audit and Compliance and the Chairman of the Board on Risk associated matters.</p> <p>The Head of Governance and Assurance interacts with the Directors and Chairmen of the Committees on a regular and scheduled basis, and as the need arises.</p>
45.	<b>4.5</b> The board should ensure that risk assessments are performed on a continual basis.	✓	Management is responsible for continuously identifying, assessing and responding to risks and opportunities that affect the Group's goals. Executive Directors exercise active monitoring and oversight of key risks and divisional management are required to report their progress on strategies and risks at the divisional board meetings. Through the Audit and Compliance Committee and the risk focus of the Board itself, the Board is apprised of key risks and the audit results of these key risk areas. These interventions ensure that risks are continually assessed.
	The board should ensure effective and ongoing risk assessments are performed.	✓	Through the Audit and Compliance Committee and the risk focus of the Board itself, the Board is apprised of key risks and the audit results of these key risk areas. These interventions ensure that risks are continually assessed.

No.	Requirement	Status	Comments
	A systematic, documented, formal risk assessment should be conducted at least once a year.	✓	A systematic, documented and formal risk assessment is conducted at least once a year, with the timing coinciding with the strategy formulation process. The outcome of this assessment is integrated into the strategy.
	Risks should be prioritised and ranked to focus responses and interventions.	✓	The ERM Framework utilises an impact, likelihood, and control effectiveness rating scale, which results in the prioritisation of risk.
	The risk assessment process should involve the risks affecting the various income streams of the company, the critical dependencies of the business, the sustainability and the legitimate interests and expectations of stakeholders.	✓	The ERM framework includes key risks categories such as strategic, operations, financial, compliance, people and reputation. .
	Risk assessments should adopt a top-down approach.	✓	A top-down approach to risk management has been adopted. Furthermore, the objective of the ERM Framework is, <i>inter alia</i> , to establish the “tone at the top” with regards to risk management. It is the Board’s responsibility to provide the direction for the risk management philosophy.

No.	Requirement	Status	Comments
	The board should regularly receive and review a register of the company's key risks.	✓	The key risks, derived from the divisional and group risk registers, are included in the strategy document. In addition, the ERM function reports quarterly to the Board on key risks.
	The board should ensure that key risks are quantified where practicable.		The ERM Framework requires and enables the quantification of the impacts of risk on the Group, as far as possible.
46.	<b>4.6</b> The board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks.	✓	<p>The Group has implemented a sound ERM Framework, based on ISO 31000 and the Committee of Sponsoring Organisations (COSO), which requires that risks are considered across multiple domains (i.e. strategic, human capital, operational, financial and compliance) and across all levels of the Company.</p> <p>The ERM Framework coupled with the integrated strategic processes, increase the Group's ability to identify key risks and opportunities that impact its goals and sustainability.</p>
47.	<b>4.7</b> The board should ensure that management considers and implements appropriate risk responses.	✓	In terms of the ERM Framework, the Risk Champions (Divisional MD's) are responsible for the design, implementation, continuous improvement, monitoring and reporting on effective risk response. These risk responses are factored in the risk registers of the relevant divisions. The Board quarterly reviews progress on risk management response plans, especially in relation to the group's key risks.
	Management should identify and note in the risk register the risk responses decided upon.	✓	Risk responses are noted and evaluated in the risk registers of the relevant divisions.

No.	Requirement	Status	Comments
	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.	✓	In terms of the ERM Framework, the risk response process takes into account the assessment and exploitation of opportunities to improve the performance of the Company. The Risk Champions (Divisional MD's) are responsible to monitor and report to Management the effectiveness of risk responses, who in turn report to the Board
48.	<b>4.8</b> The board should ensure continual risk monitoring by management.	✓	The Board ensures that risks are continually monitored by management, with a quarterly update from the ERM function and from management on the Group's key risk items.
	The board should ensure that effective and continual monitoring of risk management takes place.	✓	The Board ensures that risks are continually monitored by management, with a quarterly update from the ERM function and from management on the Group's key risk items.
	The responsibility for monitoring should be defined in the risk management plan.	✓	The responsibility for monitoring risk is defined in the ERM Framework. In this regard, the Board is responsible for ensuring the continual monitoring of risk by management.
49.	<b>4.9</b> The board should receive assurance regarding the effectiveness of the risk management process.	✓	The Board receives quarterly reports and multiple assurance statements regarding the effectiveness of the Company's risk management process. These include: <ul style="list-style-type: none"> <li>- managements' annual representation letters, confirming that controls have been implemented and are operating effectively in relation to key risks; and</li> <li>- annual assurance statements from the Group's IT function, the Internal Audit function and the ERM function.</li> </ul>

No.	Requirement	Status	Comments
	Management should provide assurance to the board that the risk management plan is integrated in the daily activities of the company.	✓	<p>The Board receives quarterly reports and multiple assurance statements regarding the effectiveness of the Company's risk management process, including the integration of risk management into the daily activities of the company. These include:</p> <ul style="list-style-type: none"> <li>- managements' annual representation letters, confirming that controls have been implemented and are operating effectively in relation to key risks; and</li> <li>- annual assurance statements from the Group's IT function, the Internal Audit function and the ERM function.</li> </ul>
	Internal audit should provide a written assessment of the effectiveness of the system of internal controls and risk management to the board.	✓	The Internal Audit Report, as included in the Annual Integrated Report, provides an assessment of the effectiveness of the internal controls and risk management. It is also reported to the Audit and Compliance Committee, and the Board on an annual basis.
50.	<b>4.10</b> The board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.	✓	The Risk report, as included in the Annual Integrated Report, sets out details with respect to the risk management process, future objectives and confirmation that there were no material deviations from the Group's risk appetite in the period, nor that the strategy and business plans give rise to risks that have not been thoroughly assessed by management. Furthermore, there were no undue, unexpected or unusual risks taken by the Group and no material losses were incurred during the year.
	Undue, unexpected or unusual risks should be disclosed in the integrated report.	✓	The Risk report, as included in the Annual Integrated Report, discloses the fact that no undue, unexpected or unusual risks were taken by the Group and no material losses were incurred during the financial year.

No.	Requirement	Status	Comments
	The board should disclose its view on the effectiveness of the risk management process in the integrated report.	✓	The Board has re-appropriated its risk oversight responsibility and specifically evaluates and reports in the Annual Integrated Report on the effectiveness of the risk management process. The Risk report, as included in the Annual Integrated Report, sets out details with respect to the risk management process.
<b>5. The Governance of Information Technology</b>			
51.	<b>5.1</b> The board should be responsible for information technology (IT) governance.	✓	Information technology (IT) governance is the responsibility of the Board, who is supported in this matter by the Audit and Compliance Committee. The Board has established an IT Service Divisional Board (ITSDB), with an appropriate mandate in place, to assist it with the oversight of IT governance for the Group.  The ITSDB further monitors the progress on key IT projects.
	The board should assume the responsibility for the governance of IT and place it on the board agenda.	✓	The oversight of IT governance is the responsibility of the Board. The Board has established an IT Service Divisional Board (ITSDB) with an appropriate mandate in place to assist in the oversight of IT governance for the Group. The ITSDB further monitors the progress on key IT projects and is responsible for monitoring overall IT governance, including the implementation of the IT framework. The Board, through the Audit and Compliance Committee, reviews the IT Governance Report on a quarterly basis.

No.	Requirement	Status	Comments
	The board should ensure that an IT charter and policies are established and implemented.	✓	The ITSDB operates in terms of a formal mandate, which is annually reviewed by the Audit and Compliance Committee. The IT strategy document and the IT Assurance Statement, which specifically deals with the implementation of IT policies and frameworks, are also distributed and presented to the Board on an annual basis.
	The board should ensure promotion of an ethical IT governance culture and awareness and of a common IT language.	✓	The Board is committed to actively cultivating a culture of ethical conduct and accordingly ethics is entrenched throughout the business. Through the ITSDB and the use of common applications across the Group, common language has already been established. The current project on mrpworld, which is effectively an ERP platform, will contribute to even greater standardisation.
	The board should ensure that an IT internal control framework is adopted and implemented.	✓	A system of internal control with respect to IT is in place, and the Systems Division management team is responsible for establishing, implementing and maintaining effective internal controls to meet the objectives of the Group in terms of risk, quality of data, functional requirements and capacity.
	The board should receive independent assurance on the effectiveness of the IT internal controls.	✓	<p>The Board, through the Audit and Compliance Committee considers the effectiveness of the Company's internal control over IT.</p> <p>IT risks are considered to be a significant feature in the Group's risk and internal control universe and accordingly attracts 22% of the internal audit function's resources. In addition, internal audit considers all key IT risks and applications and external audit considers the quality of the IT controls as it supports the financial reporting process.</p> <p>In addition, when the Group enters into an engagement with new IT service providers or suppliers, the service level agreements specify the required levels of compliance and the nature and frequency of the supplier's internal and external auditing processes. These results are used as a basis from which the effectiveness of the Group's IT governance and controls are measured.</p>



No.	Requirement	Status	Comments
52.	<b>5.2</b> IT should be aligned with the performance and sustainability objectives of the company.	✓	The IT strategy is aligned to the Company's strategy and IT systems are therefore designed or purchased to support the Company's operations and growth and to enable future efficiencies. The ITSDB oversees, guides and monitors the alignment of IT and the Company's strategic objectives and priorities.
	The board should ensure that the IT strategy is integrated with the company's strategic and business processes.	✓	The ITSDB, which is accountable to the Board, oversees, guides and monitors the alignment of IT and the Company's strategic objectives and priorities.
	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.	✓	The Board is aware that effective information technology systems are essential to support business growth and achieve future efficiencies. The Group particularly recognises the important link between technology and its stakeholders and are constantly considering how to improve the performance and sustainability of the Company through the use of IT.
53.	<b>5.3</b> The board should delegate to management the responsibility for the implementation of an IT governance framework.	✓	Management is responsible for the design, implementation, monitoring and reporting of suitable control or related frameworks; as a result the IT Division has adopted the Control Objectives for Information and related Technology (COBIT) Governance Framework and confirms this through its annual assurance statement.
	Management should be responsible for the implementation of the structures, processes and mechanisms for the IT governance framework.	✓	Management is responsible for the design, implementation, monitoring and reporting of suitable control or related frameworks; as a result the IT Division has adopted the Control Objectives for Information and related Technology (COBIT) Governance Framework and confirms this through its annual assurance statement.

No.	Requirement	Status	Comments
	The board may appoint an IT steering committee of similar function to assist with its governance of IT.	✓	The members of the ITSDB are appointed by the CEO. The CEO and IT Director supports the Board in the governance of IT.
	The CEO should appoint a Chief Information Officer ("CIO") responsible for the management of IT.	✓	The IT Director of the Company serves as the CIO, as he is responsible for the management of IT.
	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.	✓	The IT Director has the requisite skills and experience. He is the vice-chair of the ITSDB and is regularly invited to both the Risk section of the Board meeting and Audit and Compliance Committee. He is responsible for updating the Board on IT related matters.
54.	<b>5.4</b> The board should monitor and evaluate significant IT investments and expenditure.	✓	<p>The ITSDB, which is chaired by the CEO, has been appointed by the Board to oversee the alignment of business and IT strategies and to prioritise and provide oversight and approval of key IT investments. The ITSDB further monitors the progress on key IT projects and is responsible for monitoring overall IT governance.</p> <p>The Board is responsible for the approval of the IT strategy (which includes significant IT investments) and all capital expenditure exceeding R90 million (in accordance with the Group's delegation of authority policy).</p>

No.	Requirement	Status	Comments
	The board should oversee the value delivery of IT and monitor the return on investment from significant IT projects.	✓	The ITSDB, which is chaired by the CEO, has been appointed by the Board to oversee the alignment of business and IT strategies and to prioritise and provide oversight and approval of key IT investments. It oversees the value delivery of each project and monitors the return reporting to the Board on such matters. The ITDB further monitors the progress on key IT projects and is responsible for monitoring overall IT governance.
	The board should ensure that intellectual property contained in information systems is protected.	✓	The mrpIT division is in the process of reviewing all security related processes in order to adequately and appropriately manage information security, and in doing so, protect all intellectual property that is embedded in applications and databases.
	The board should obtain independent assurance on the IT governance and controls supporting outsourced IT services.	✓	The Board obtains independent assurance on IT governance, mainly from Internal Audit and specialist consultants as and when needed. In addition, the Group's IT service providers are required to provide the assurance statements of their appointed assurance providers, where required.

No.	Requirement	Status	Comments
55.	<b>5.5</b> IT should form an integral part of the company's risk management.	✓	IT risks form an integral part of the Company's risk management process. In addition to divisional Managing Directors considering IT risks that affect their respective divisions, the IT Director is responsible for identifying, assessing and responding to Group-wide IT risks and documenting these in the Group's risk register.
	Management should regularly demonstrate to the board that the company has adequate business resilience arrangements in place for disaster recovery.	✓	The ITSDB ensures that operational requirements for disaster recovery processes and business continuity processes are adequate, effective and tested. In addition, Internal Audit annually the IT systems disaster recovery process.
	The board should ensure that the company complies with IT laws and that IT related rules, codes and standards are considered.	✓	In terms of the Legal Compliance Framework, the IT Director is specifically responsible for ensuring compliance with IT laws and IT related rules. He is required to provide an annual assurance statement to this effect.
56.	<b>5.6</b> The board should ensure that information assets are managed effectively.	✓	The Board is responsible for IT governance and accordingly ensures that information assets are identified, managed and treated as important business assets. The Group's information assets consist of many components, the most critical of which are: <ul style="list-style-type: none"> <li>- data collection mechanisms;</li> <li>- processing and storing of information in computer systems;</li> <li>- utilising information (online, reports, web sites); and</li> <li>- utilising devices to enable such processing and usage of information.</li> </ul>

No.	Requirement	Status	Comments
	<p>The board should ensure that there are systems in place for the management of information which should include information security, information management and information privacy.</p>	✓	<p>IT Governance systems, processes and policies are in place, governing matters such as security and access control, technology standards, investment processes and others. These systems and processes are audited on a rotational basis.</p>
	<p>The board should ensure that all personal information is treated by the company as an important business asset and is identified.</p>	✓	<p>The Board is responsible for the oversight of IT governance and accordingly ensures that information assets are identified, managed and treated as important business assets.</p> <p>In terms of the Business Code of Conduct, when personal information is required, it is obtained directly from the person concerned, wherever possible, in order to avoid possible misrepresentation. Only reputable and reliable sources are used to supplement this information.</p> <p>Furthermore, information is only retained for as long as it is needed or for the minimum period as required by the law.</p>
	<p>The board should ensure that an Information Security Management System is developed and implemented.</p>	✓	<p>Although a comprehensive security policy is appropriately maintained, a documented operational policy and framework is not yet in place. The Board believes that required levels of security have been achieved, and no known breaches of any consequence have occurred.</p> <p>However, seeing as though the Group's environment has become increasingly complex, with mobile devices, remote usage, distributed architecture and off site solutions. such as hosted and software services coming into use, the Group's existing approach will no longer suffice.</p> <p>To this end, the Group is in process of documenting a comprehensive IT security Strategy that focuses on five key areas: Access Governance, Vulnerability and Patch Management, Information Leakage, Security Event and Alert Management and Awareness and training efforts. Once this has been defined, the implementation plan will developed and carried out..</p>

No.	Requirement	Status	Comments
	The board should approve the information security strategy and delegate and empower management to implement the strategy.	✓	Please refer to above principle. As a sub-set of the overall IT strategy, the reviewed and updated security policy, operational policy and framework will be referred to the Board for approval.
57.	<b>5.7</b> A risk committee and audit committee should assist the board in carrying out its IT responsibilities.	✓	The oversight of IT governance and have been delegated to the Audit and Compliance Committee with quarterly reports being received from the IT director.
	The risk committee should ensure that IT risks are adequately addressed.	✓	The oversight of IT governance and have been delegated to the Audit and Compliance Committee with quarterly reports being received from the IT director.
	The risk committee should obtain appropriate assurance that controls are in place and effective in addressing IT risks.	✓	<p>Management is responsible for ensuring that an effective system for identifying, assessing, responding to and monitoring risks is implemented, that risks are managed within the approved appetite and tolerance levels and that the risk management is embedded in the day to day activities of the Group.</p> <p>In particular, the following IT related assurances are provided:</p> <ul style="list-style-type: none"> <li>- the internal audit function provides assurance on key IT controls and processes;</li> <li>- the external auditors provide assurance to the Audit and Compliance Committee on the effectiveness of IT controls in the financial reporting process; and</li> <li>- management provide assurance through the annual letters of representation and the IT Assurance Statement.</li> </ul>

No.	Requirement	Status	Comments
	The audit committee should consider IT as it relates to financial reporting and the going concern of the company.	✓	In terms of the Audit and Compliance Committee Charter, the members of the Committee must have an understanding of information technology governance as it relates to integrated and financial reporting. In addition, the Committee considers the effectiveness of the Company's internal control over annual and interim financial reporting, including information technology, security and control.
	The audit committee should consider the use of technology to improve audit coverage and efficiency.	✓	A combined strategy of continuous monitoring and continuous auditing by the internal audit function has been introduced since 2008 in order to improve audit coverage and efficiency. The internal audit function reports to the Audit and Compliance Committee.
<b>6. Compliance with Laws, Codes, Rules and Standards</b>			
58.	<b>6.1</b> The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	✓	The Board is committed to ensuring that the Group complies with applicable laws, rules and standards. To this end, the Board established an Audit and Compliance Committee to monitor compliance with laws and regulations and the Business Code of Conduct.  In addition, the Board delegates legal compliance responsibility to relevant senior management, who receive support in fulfilling these responsibilities from specialist legal partners and a dedicated Legal and Compliance Officer. Furthermore, the Company Secretary ensures that the Directors are aware of their statutory duties and that compliance with governance related legislation is maintained.
	Companies must comply with all applicable laws.	✓	The Board is committed to act in the best interests of the Group, which includes the adherence to applicable laws, rules, codes and standards. A risk-based compliance framework has been adopted to facilitate compliance with all applicable laws.

No.	Requirement	Status	Comments
	Exceptions permitted in law, shortcomings and proposed changes expected should be handled ethically.	✓	The Board is committed to acting in an ethical manner. This is engrained in the Business Code of Conduct, tone at the top and general management philosophy. Any exceptions permitted in law, shortcomings and proposed changes expected have been handled ethically.
	Compliance should be an ethical imperative.	✓	The Board has an unwavering commitment to honest business practices. The Board considers compliance as an ethical imperative, with the Social, Ethics, Transformation and Sustainability Committee monitoring overall compliance. The Group's daily practices, as well as the contracts with its key business partners, are very clear that the Group does not tolerate unethical business practices.
	Compliance with applicable laws should be understood not only in terms of the obligations that they create, but also for the rights and protection that they afford.	✓	The Group is committed to complying with all applicable laws, taking into account the spirit of compliance, as well as embracing the letter of the law.
	The board should understand the context of the law, and how other applicable laws interact with it.	✓	A risk-based compliance framework has been adopted to facilitate compliance with all applicable laws. The Directors are primarily responsible for acquiring the skills necessary for the effective discharge of their duties. The Company Secretary and Legal and Compliance Officer provide support to the Directors in this regard, updating on applicable legislative changes.
	The board should monitor the company's compliance with applicable laws, rules, codes and standards.	✓	It is the responsibility of the Board to ensure that the Company complies with applicable laws and considers adherence to non-binding rules and standards. The Audit and Compliance Committee and the Social, Ethics, Transformation and Sustainability Committee assist the Board in this regard and it, <i>inter alia</i> , monitors compliance with laws and regulations and the Business Code of Conduct.



No.	Requirement	Status	Comments
	Compliance should be a regular item on the agenda of the board.	✓	<p>The Board, through the Audit and Compliance Committee, continuously review compliance. This is done through examining internal and external audit reports, as well as reports received from regulators.</p> <p>In addition, there is a bi-annual legal compliance process applied by management, and reported to the Audit and Compliance Committee to ensure that key legislation is understood and adhered to.</p>
	The board should disclose details in the integrated report on how it discharged its responsibility to establish an effective compliance framework and processes.	✓	The integrated report states that legislative compliance is carefully controlled by the relevant business unit executives. It is the responsibility of the Legal and Compliance function, (under the strategic direction of the Head of Governance and Assurance) to further enhance the legal compliance framework adopted by the Company.
59.	<b>6.2</b> 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.	✓	The Regulatory Universe and Compliance Delegations document has been defined and tabled at the Audit and Compliance Committee. The Directors are primarily responsible for acquiring the skills necessary for the effective discharge of their duties.
	The induction and on-going training programmes of directors should incorporate an overview of and any changes to applicable laws, rules, codes and standards.	✓	There is an appropriate induction and mentoring programme in place for new Directors, which addresses the regulatory universe. The Directors are primarily responsible for acquiring the skills necessary for the effective discharge of their duties, although the Group does share in this responsibility. To that end, Directors are informed of applicable changes to legislation where appropriate.

No.	Requirement	Status	Comments
	Directors should sufficiently familiarise themselves with the general content of applicable laws, rules, codes and standards to discharge their legal duties.	✓	The Regulatory Universe and Compliance Delegations document has been defined and tabled at the Audit and Compliance Committee. The Directors are primarily responsible for acquiring the skills necessary for the effective discharge of their duties although the Group does share in this responsibility. To that end, Directors are informed of applicable and significant changes to legislation.
60.	<b>6.3</b> Compliance risk should form an integral part of the company's risk management process.	✓	Compliance risk forms an integral part of the risk management process and has been included as one of the domains of the ERM framework. The Group Legal and Compliance Officer is responsible for facilitating a risk-based approach to compliance and for the improvement and embedding of the legal compliance framework which has been adopted by the Company.
	The risk of non-compliance should be identified, assessed and responded to through the risk management processes.	✓	Compliance risk forms an integral part of the risk management process and has been included as one of the domains of the ERM framework. The Audit and Compliance Committee evaluates where there are material or frequently repeated instances of non-compliance by either the Group or the Directors.
	Companies should consider establishing a compliance function.	✓	A Group Legal and Compliance Officer has been appointed to facilitate a risk-based approach to compliance and for the improvement and embedding of the legal compliance framework adopted by the Company. The Group's compliance capability is supported by an extensive network of legal partners.

No.	Requirement	Status	Comments
61.	<p><b>6.4</b> The board should delegate to management the implementation of an effective compliance framework and processes.</p>	✓	<p>The responsibility for compliance with legislation has been clearly documented and delegated to responsible senior management. These senior managers are required to design and implement appropriate compliance structures, processes and systems. In addition, they are responsible for monitoring and evaluating the compliance structures in order to ensure legislative compliance.</p> <p>The Audit and Compliance Committee reviews the effectiveness of the system and on an annual basis, senior managers are required to provide the Audit and Compliance Committee with assurance that the delegated legislation has been complied with.</p>
	<p>The board should ensure that a legal compliance policy, approved by the board, has been implemented by management.</p>	✓	<p>The Group has implemented a comprehensive compliance framework including a compliance policy. In addition it has documented its regulatory universe and responsibility thereof has been delegated to senior management. The senior managers are required to design and implement appropriate compliance structures, processes and systems. Furthermore, they are responsible for monitoring and evaluating the compliance structures in order to ensure legislative compliance. The Regulatory Universe and Compliance Delegations document has been approved by the Governance and Assurance Division board and tabled at the Audit and Compliance Committee.</p>

No.	Requirement	Status	Comments
	<p>The board should receive assurance on the effectiveness of the controls around compliance with laws, rules, codes and standards.</p>	✓	<p>The Audit and Compliance Committee has been tasked to review the effectiveness of the system for monitoring compliance with laws, rules, codes and standards. This includes the review of the results of investigations undertaken by management in instances of non-compliance as well as the steps taken to mitigate the risks associated therewith.</p> <p>The Committee reports to the Board on a regular basis on matters within its mandate and as such the Board ensures the fulfilment of its duties and responsibilities.</p> <p>In addition, and in terms of the combine assurance model, all officers in the first line of defence and certain officers in the second line of defence, provide annual assurance on compliance with legislation specifically assigned to them.</p>
	<p>Compliance with laws, rules, codes and standards should be incorporated in the code of conduct of the company.</p>	✓	<p>The Business Code of Conduct of the Company states that associates are required to comply with all applicable laws and regulations which relate to their activities for and on behalf of the Company.</p>
	<p>Management should establish the appropriate structures, educate and train, and communicate and measure key performance indicators relevant to compliance.</p>	✓	<p>Management have implemented a legal and compliance structure, appropriate compliance framework and delegated legal ownership across divisional management. The Legal and Compliance function facilitates relevant legal updates and training.</p>
	<p>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.</p>	✓	<p>The Audit and Compliance Committee Report, included in the integrated report, confirms that the Committee has given due consideration to and confirms that there were no material or frequently repeated instances of non-compliance by either the Group or the Directors during the year.</p>

No.	Requirement	Status	Comments
	<p>An independent, suitably skilled compliance officer may be appointed. The compliance officer should be a suitably skilled and experienced person who should have access and interact regularly on strategic compliance matters with the board and/or appropriate board committee and executive management.</p>	✓	<p>The Head of Governance and Assurance is responsible for, amongst others, providing strategic leadership of the Legal and Compliance function. In addition, a Group Legal and Compliance Officer has been appointed and collectively they have suitable skills and strategic positioning.</p>
	<p>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.</p>	✓	<p>The Company has improved the structure and reporting lines of the compliance function to focus the Group's efforts on a risk based compliance framework and holistic response to its governance agenda and to further enhance the integration of strategy, risk management and sustainability.</p>
	<p>The compliance function should have adequate resources to fulfil its function.</p>	✓	<p>The Board delegates legal compliance responsibility to the relevant senior management across the business, who receives support in fulfilling these responsibilities from a dedicated Legal and Compliance Officer and a network of legal partners.</p>

No.	Requirement	Status	Comments
<b>7. Internal Audit</b>			
62.	<b>7.1</b> The board should ensure that there is an effective risk based internal audit.	✓	The Group has a strong internal audit function in place, responsible for providing assurance on the effectiveness of key governance processes, risk management processes and internal control systems and processes. An internal audit mandate is in place which includes details of the duties and responsibilities of the internal audit function. The reliability of the internal audit findings is furthermore ensured by the application of the International Professional Practices Framework (IPPF), which includes the Code of Ethics of the Institute of Internal Auditors (IIA).
	Companies should establish an internal audit function.	✓	The Group has a strong internal audit function in place. The internal audit function comprises of 30 suitably qualified and experienced associates, under the direction of the Head of Governance and Assurance.
	Internal audit should perform the following functions:	-	-
	<ul style="list-style-type: none"> <li>evaluate the company's governance processes;</li> </ul>	✓	The internal audit function is responsible for providing reasonable assurance regarding the effectiveness of the Company's governance processes.
	<ul style="list-style-type: none"> <li>perform an objective assessment of the effectiveness of risk management and the internal control framework;</li> </ul>	✓	The internal audit function is responsible for providing reasonable assurance regarding the effectiveness of the Company's risk management processes and systems of internal control.
	<ul style="list-style-type: none"> <li>systematically analyse and evaluate business processes and associated controls; and</li> </ul>	✓	The internal audit function is responsible for assisting the Company to accomplish its objectives by implementing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal controls, and governance processes.

No.	Requirement	Status	Comments
	<ul style="list-style-type: none"> <li>provide a source of information as appropriate, regarding instances of fraud, corruption, unethical behaviour and irregularities.</li> </ul>	✓	The internal audit function provides assurance to the Company's stakeholders that the Company operates in a responsible manner by providing a source of information, as appropriate, regarding instances of fraud, corruption, unethical behaviour and irregularities.
	An internal audit charter should be defined and approved by the board.	✓	An internal audit mandate has been approved by the Board and it defines the functions, duties and responsibilities of the internal audit function.
	The internal audit function should adhere to the IIA Standards and code of ethics.	✓	<p>Internal audit assurance and consulting is provided through the application of the International Professional Practices Framework (IPPF), which includes the Code of Ethics of the Institute of Internal Auditors (IIA).</p> <p>The internal audit function's adherence to the IPPF and Code of Ethics has been independently evaluated by an external quality assurance team and confirmed to be in full conformance.</p>
63.	<b>7.2</b> Internal audit should follow a risk based approach to its plan.	✓	Internal Audit has adopted a risk-based and integrated approach to audit, which ensures that the annual internal audit plan is focussed on key strategies, key risks as well as the input received from the Board, the Audit and Compliance Committee, external audit and senior management.
	The internal audit plan and approach should be informed by the strategy and risks of the company.	✓	The Head of Governance and Assurance has the responsibility to develop a risk-based and integrated approach to audit, which ensures that the internal audit annual plan is focussed on key strategies, key risks as well as input from the Board, the Audit and Compliance Committee, external audit and senior management.
	Internal audit should be independent from management.	✓	The internal audit function is independent of all other organisational functions and it reports functionally directly to the Audit and Compliance Committee and administratively to the CEO

No.	Requirement	Status	Comments
	<p>Internal audit should be an objective provider of assurance that considers:</p> <ul style="list-style-type: none"> <li>- the risks that may prevent or slow down the realisation of strategic goals;</li> <li>- whether controls are in place and functioning effectively to mitigate these; and</li> <li>- the opportunities that will promote the realisation of strategic goals that are identified, assessed and effectively managed by the company's management team.</li> </ul>	✓	<p>These three (3) areas are covered during the annual risk assessment process and forms part of the internal audit function's annual work priorities.</p>
64.	<p><b>7.3</b> Internal audit should provide a written assessment of the effectiveness of the company's system of internal control and risk management.</p>	✓	<p>The Head of Governance and Assurance provides a written assessment regarding the effectiveness of the system of internal controls and risk management to the Audit and Compliance Committee and the Board. This supports the Board in its report on the effectiveness of the system of internal controls in the Annual Integrated Report.</p>
	<p>Internal audit should form an integral part of the combined assurance model as internal assurance provider.</p>	✓	<p>In accordance with the approved combined assurance model, Internal Audit is recognised as the primary assurance provider on the Group's governance, risk management and internal controls systems and processes.</p>



No.	Requirement	Status	Comments
	Internal controls should be established not only over financial matters, but also operational, compliance and sustainability issues.	✓	Internal controls are established across all levels of the organisation, including operational, compliance and sustainability.
	Companies should maintain an effective governance, risk management and internal control framework.	✓	Frameworks for governance, risk management and controls are in place and are based on COSO, COSO ERM, ISO 31000, CobiT, King III etc.
	Management should specify the elements of the control framework.	✓	Frameworks for governance, risk management and controls are in place and are based on COSO, COSO ERM, ISO 31000, CobiT, King III etc.
	Internal audit should provide a written assessment of the system of internal controls and risk management to the board.	✓	It is the responsibility of The Head of Governance and Assurance to provide a written assessment regarding the effectiveness of the system of internal controls and risk management to the Board. This enables the Board to report on the effectiveness of the system of internal controls in the integrated report.
	Internal audit should provide a written assessment of internal financial controls to the audit committee.	✓	In accordance with the co-reliance plan, Internal Audit evaluates key financial systems and processes and places reliance on the external auditor's documented review of the key financial reporting controls. This is submitted to the Audit and Compliance Committee to enable it to formulate its comment to be included in the annual financial statements and to make a submission to the Board.
65.	<b>7.4</b> The audit committee should be responsible for overseeing internal audit.	✓	In accordance with the Audit and Compliance Committee mandate and its statutory duties, it is responsible for overseeing the internal audit function, including the appointment/dismissal/evaluation of performance of the Head of Governance and Assurance.

No.	Requirement	Status	Comments
	The internal audit plan should be agreed and approved by the audit committee.	✓	The Audit and Compliance Committee is responsible for overseeing internal audit and reviews and approves on an annual basis the internal audit plan, mandate, objectives and goals, staffing and budget. Any changes to this plan are tabled for approval as and when necessary.
	The audit committee should evaluate the performance of the internal audit function.	✓	The Audit and Compliance Committee evaluates the performance of the internal audit function on annual basis through private meetings with management and the external auditor.
	The audit committee should ensure that the internal audit function is subjected to an independent quality review.	✓	The Audit and Compliance Committee is responsible for ensuring that the internal audit function is subject to a quality review, as and when the Committee determines it appropriate. The last review, which was independent, was concluded in November 2011.
	The CAE should report functionally to the audit committee chairman.	✓	The Head of Governance and Assurance reports administratively to the Chief Financial Officer and functionally to the Chairman of the Audit and Compliance Committee.
	The audit committee should be responsible for the appointment, performance assessment and dismissal of the CAE.	✓	The Audit and Compliance Committee is responsible for overseeing the internal audit function, and <ul style="list-style-type: none"> <li>in conjunction with the Board, is responsible for the appointment/dismissal of the CAE; and</li> <li>in conjunction with the Chief Financial Officer, evaluates the performance of the CAE.</li> </ul>
	The audit committee should ensure that the internal audit function is appropriately resourced and has appropriate budget allocated to the function.	✓	The Audit and Compliance Committee is responsible for overseeing internal audit and reviews and approves the budget and resources on an annual basis.
	Internal audit should report at all audit committee meetings.	✓	The internal audit function has a standing invitation and reports at all Audit and Compliance Committee meetings.

No.	Requirement	Status	Comments
66.	<b>7.5</b> Internal audit should be strategically positioned to achieve its objectives.	✓	To ensure that it can provide objective assurance and consulting services, the internal audit function operates independently from management, is strategically positioned in terms of its reporting lines and is invited to attend strategic meetings, including the divisional board meetings, various Executive Committee meetings and several Board committee meetings.
	The internal audit function should be independent and objective.	✓	The internal audit function is positioned, structured and organised in such a way that ensures its independence and objectivity.
	The internal audit function should report functionally to the audit committee.	✓	The internal audit function reports functionally to the Audit and Compliance Committee.
	The CAE should have a standing invitation to attend executive committee meetings.	✓	The internal audit function has a standing invitation to attend meetings of the Executive Committee or other strategic committee meetings, but is not a member of these committees in order to ensure independence.
	The internal audit function should be skilled and resourced as is appropriate for the complexity and volume of risk and assurance needs.	✓	The CAE has the responsibility to recruit and maintain professional audit staff with sufficient knowledge, skills, experience and professional certifications to meet the requirements of its mandate. The skills and resources are evaluated continuously to ensure that the internal audit function has the collective skills required to execute its mandate.
	The CAE should develop and maintain a quality assurance and improvement programme.	✓	The CAE has the responsibility to establish and maintain quality assurance and improvement program that covers all aspects of Internal Audit and to monitor its effectiveness. This has been confirmed by an independent external assurance team as being in full conformance to the requirements of the IPPF.

No.	Requirement	Status	Comments
<b>8. Governing Stakeholder Relationships</b>			
67.	<b>8.1</b> The board should appreciate that stakeholders' perceptions affect a company's reputation.	✓	The Board is the custodian of the Company's reputation and stakeholder relationships and it appreciates the link between the two. The Board considers stakeholder engagement to be crucial to the future sustainability of the Company and as such an engagement strategy has been implemented to manage stakeholder perceptions and expectations.
	The gap between stakeholder perceptions and the performance of the company should be managed and measured to enhance or protect the company's reputation.	✓	The Board considers stakeholder engagement to be crucial to the future sustainability of the Company and as such an engagement strategy has been implemented to manage stakeholder perceptions and expectations.
	The company's reputation and its linkage with stakeholder relationships should be a regular board agenda item.	✓	The Board, through the Social, Ethics, Transformation and Sustainability Committee considers stakeholder engagement and progress as part of its corporate services and sustainability strategy. This is approved by the Board annually as part of the strategy approval process.  In terms of its mandate, the Board is responsible for considering new risks that could have a significant reputational impact on the Group
	The board should identify important stakeholder groupings.	✓	The Company has identified associates, customers, suppliers and investors as important stakeholder groupings, and it aims to continuously develop meaningful relationships with them.
68.	<b>8.2</b> The board should delegate to management to proactively deal with stakeholder relationships.	✓	It is the Board's responsibility, amongst others, to manage the Company's relationship with shareholders, associates, customers, suppliers and other key stakeholders of the Group. To this end, an overall stakeholder map and engagement strategy is in place, and stakeholder owners (allocated management) are responsible for monitoring key issues and responding accordingly. A report on Stakeholder Engagement is included in the Annual Integrated Report.

No.	Requirement	Status	Comments
	Management should develop a strategy and formulate policies for the management of relationships with each stakeholder grouping.	✓	An overall stakeholder map and engagement strategy is in place, while a stakeholder owner (member of senior management) is responsible for monitoring key issues and responding accordingly.
	The board should consider whether it is appropriate to publish its stakeholder policies.	✓	The Audit and Compliance Committee and the Board (with the assistance of various sub-committees) approve the contents of the entire Annual Integrated Report.
	The board should oversee the establishment of mechanisms and processes that support stakeholders in constructive engagement with the company.	✓	<p>It is the Board's responsibility, amongst others, to manage the Company's relationships with shareholders, associates, customers, suppliers and other key stakeholders of the Group along sound corporate governance principles.</p> <p>A Stakeholder Engagement Framework is in place to formalise the stakeholder engagement process. It also identifies the role that the Sustainability Team plays in co-ordinating the overall process and in consolidating key trends, insights and learning from the process for feedback to the CEO and Social, Ethics, Transformation and Sustainability Committee.</p>
	The board should encourage shareholders to attend AGM's.	✓	The Company's integrated report, which incorporates the Notice of AGM, is distributed to all shareholders, who are encouraged to attend.
	The board should consider not only formal, but also informal, processes for interaction with the company's stakeholders.	✓	The Stakeholder Engagement Framework, was approved by the Board and considers different levels and various methods of engagement. These methods include a mix of formal and informal interaction.

No.	Requirement	Status	Comments
	The board should disclose in its integrated report the nature of the company's dealings with stakeholders and the outcomes of these dealings.	✓	The integrated report is centred on stakeholder engagement, and specifically discloses the nature of the Company's dealings with stakeholders and the outcomes of these dealings.
69.	<b>8.3</b> The board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the company.	✓	The Group recognises that there are many stakeholders interested in its financial, social and environmental performance, and takes these interests into account in its decision-making processes.
	The board should take account of the legitimate interests and expectations of its stakeholders in its decision-making in the best interests of the company.	✓	The Group recognises that there are many stakeholders interested in its financial, social and environmental performance, and takes these interests into account in its decision-making processes.
70.	<b>8.4</b> Companies should ensure the equitable treatment of shareholders.	✓	There is equitable treatment of all holders of the same class of shares, including minorities and between different classes of shares in the Group. This is driven by compliance with the Company's MOI as well as with the JSE Listings Requirements.
	There must be equitable treatment of all holders of the same class of shares issued and the board should ensure that minority shareholders are protected.	✓	There is equitable treatment of all holders of the same class of shares, including minorities and between different classes of shares.
71.	<b>8.5</b> Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.	✓	The Company is committed to providing complete, timely, accessible information to its stakeholders and its stakeholder engagement process is guided by the principles set out in the AA1000 Stakeholder Engagement Standard (2011) as published by AccountAbility.

No.	Requirement	Status	Comments
	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.	✓	The Company provides complete, timely, accessible information to its stakeholders in its integrated report, financial and other SENS announcements, and on the Company's website. In addition, the Company Secretary and the IT Director ensure compliance with the Promotion of Access to Information Act, 2000.
	Communication with stakeholders should be in clear and understandable language.	✓	Every effort is made to communicate in a clear and understandable language.
	The board should adopt communication guidelines that support a responsible communication programme.	✓	The Group's stakeholder engagement process is guided by the principles set out in the AA1000 Stakeholder Engagement Standard (2011) as published by AccountAbility.
	The board should consider disclosing in the integrated report the number and reasons for refusals of requests of information that were lodged with the company in terms of the Promotion of Access to Information Act, 2000.	✓	The Company has not refused any requests for information.
72.	<b>8.6</b> The board should ensure disputes are resolved as effectively, efficiently and expeditiously as possible	✓	The Board is committed to ensuring that disputes are resolved effectively, efficiently and expeditiously. To this end, the Company has a disciplinary code in place which governs internal disputes, which includes disciplinary and incapacity procedures.  External disputes are guided by arbitration clauses, as contained in third party commercial agreements. In addition, the Group abides by dispute resolution mechanisms provided by regulatory bodies, such as the FSB, SARS, NCR and the LRA.

No.	Requirement	Status	Comments
	The board should adopt formal dispute resolution processes for internal and external disputes.	✓	The Company has a disciplinary code in place which governs internal disputes, which includes disciplinary and incapacity procedures.  External disputes are guided by arbitration clauses, as contained in third party commercial agreements. In addition, the Group abides by dispute resolution mechanisms provided by regulatory bodies, such as the FSB, SARS, NCR and the LRA.
	The board should select the appropriate individuals to represent the company in ADR (alternative dispute resolution).	✓	The disciplinary code, inter alia requires that disciplinary procedures are taken by the area managers.
<b>9. Integrated Reporting and Disclosure</b>			
73.	<b>9.1</b> The board should ensure the integrity of the company's integrated report	✓	The Board reviews and approves the integrated report, it ensures that the integrated report addresses all material issues, and includes a fair representation of the integrated performance of the Group. The internal and external auditors assist the Company in the verification process.
	A company should have controls to enable it to verify and safeguard the integrity of its integrated report.	✓	The integrated report is reviewed by the respective sub-committees (as it relates to their mandates) as well as the Board and the internal and external auditors assist the Company in the verification process.
	The board should delegate to the audit committee to evaluate sustainability disclosures.	✓	In conjunction with the Social and Ethics Committee, the Audit and Compliance Committee reviews the disclosure of sustainability issues in the integrated report. This is done to ensure that the information contained therein is a true reflection of the Company's sustainability status.
	The integrated report should be prepared every year.	✓	The integrated report is prepared and distributed to shareholders on an annual basis.



No.	Requirement	Status	Comments
	The integrated report should convey adequate information regarding the company's financial and sustainability performance.	✓	In addition to the annual financial statements and commentary thereon, the Annual Integrated Report also sets out the relevant sustainability information of the Company.
	The integrated report should focus on substance over form.	✓	The focus of the integrated report is to convey all relevant information to stakeholders.
74.	<b>9.2</b> Sustainability reporting and disclosure should be integrated with the company's financial reporting	✓	The integrated report of the Company is designed to provide both financial and sustainability information to stakeholders in a meaningful manner.
	The board should include commentary on the company's financial results.	✓	The Annual Integrated Report includes commentary from the Board on the Company's financial results.
	The board must disclose if the company is a going concern.	✓	In the Annual Financial Statements, as included in the integrated report, it is confirmed that the Company is operating on a going concern basis and that nothing has come to the attention of the Directors to indicate that the Company and the Group will not remain a going concern for the ensuing 12 months.
	The integrated report should describe how the company has made its money.	✓	The integrated report confirms that the main business of the Group is omni-channel retail distribution through corporate-owned and franchised stores in Africa and abroad. The focus of the retail chains are clothing, footwear, sportswear, sporting goods, accessories, mobile products and homeware.

No.	Requirement	Status	Comments
	<p>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.</p>	✓	<p>These matters have been addressed in the Directors' reports, as contained in the Company's Annual Integrated Report.</p>
75.	<p><b>9.3</b> Sustainability reporting and disclosure should be independently assured</p>	✓	<p>The consolidated Annual Financial Statements, contained within the integrated report are audited by the external auditor and the people and social reports are independently verified by internal audit.</p> <p>The Social, Ethics, Transformation and Sustainability Committee and the Audit and Compliance Committee review the sustainability disclosures as contained in the integrated report. This is done to ensure that it is reliable and does not conflict with the financial information.</p> <p>Even though the entire sustainability report and disclosure are currently not externally assured, the Board is satisfied with the independent assurance by Internal Audit and progress made both on the sustainability journey and with integrated reporting and is of the opinion that it may be premature to subject the entire report to an external verification at this point.</p>
	<p>General oversight and reporting of sustainability should be delegated by the board to the audit committee.</p>	✓	<p>In conjunction with the Social, Ethics, Transformation and Sustainability Committee, the Audit and Compliance Committee oversees the sustainability progress and reviews the disclosure of sustainability issues in the integrated report, to ensure that it represents a true reflection of the Company's business operations.</p>

No.	Requirement	Status	Comments
	<p>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.</p>	✓	<p>In conjunction with the Social, Ethics, Transformation and Sustainability Committee, the Audit and Compliance Committee oversees the sustainability progress and reviews the disclosures contained in the integrated report and ensures that the information contained therein is reliable and does not contradict the financial information.</p>
	<p>The audit committee should oversee the provision of assurance over sustainability issues.</p>	✓	<p>In terms of the Audit and Compliance Committee’s mandate it must ensure that a combined assurance model is applied to provide a co-ordinated approach to all assurance activities. The consolidated Annual Financial Statements, contained within the integrated report are audited by the external auditor and the people and social reports are independently verified by internal audit.</p> <p>The Board is satisfied with the progress made both on the sustainability journey and with the integrated report and is of the opinion that it may be premature to subject the entire report to an external verification at this point.</p>