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## COMPLIANCE TO KING IV™

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### JOBURG MARKET (SOC) LIMITED

# Joburg Market embraces King IV™

King IV™ advocates an outcomes-based approach and defines corporate governance as the exercise of ethical and effective leadership towards the achievement of four governance outcomes. The desired governance outcomes are listed below, together with the practices implemented and progress made towards achieving the 16 principles in meeting those outcomes. It is done on an “apply and explain” basis, as recommended by King IV™.

Joburg Market has embraced the King IV™ code and has entrenched these principles in the company and wishes to confirm its compliance to the King IV™ Code as outlined in the table below:

King IV™ Principle	Requirement	Confirmation Documentation	Status 2020/21
<b>Governance Outcome One: Ethical Culture</b>			
<p><b>Principle 1: Leadership.</b></p> <p>The governing body should lead ethically and effectively.</p>	<p>Joburg Market’s board of directors is its governing body. The director’s hold one another accountable for decision-making and behave ethically, as characterised in King IV.</p>	<p>An employee code of conduct policy is in force throughout the Entity. All directors and employees are obligated under the code to act with honesty and integrity and to maintain the highest ethical standards.</p> <p>Declarations of interest are managed in line with the Companies Act 71 of 2008 and directors are required to disclose their shareholdings and additional directorships on an annual basis.</p>	<p>Compliant</p>

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<p><b>Principle 2: Organisational ethics.</b></p> <p>The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.</p>	<p>The board has a fiduciary duty to act in good faith, with due care and diligence and in the best interests of the Entity and its stakeholders. It is the primary body responsible for the corporate governance values of the Entity.</p>	<p>The employee code of conduct sets the minimum standards expected of all employees of the Joburg Market. Furthermore, the market by-laws set the minimum standards expected of the market agents and suppliers of the Joburg Market.</p>	<p>Compliant (Bylaw also in review process)</p>
<p><b>Principle 3: Responsible corporate citizenship.</b></p> <p>The governing body should ensure that the organisation is seen to be a responsible corporate citizen.</p>	<p>The board approves the strategy and priorities of the business as set out in its annual integrated report. Through stakeholder engagement and collaboration, Joburg Market is committed to finding lasting solutions to sustainability challenges.</p> <p>The board, with the support of the REMSEC Committee oversees and monitors how the Entity's activities affect its status as a responsible corporate citizen and reports annually on the Entity's sustainability activities.</p>	<p>Integrated Annual Report.</p>	<p>Compliant</p>
<b>Governance Outcome Two: Performance and Value Operation</b>			
<p><b>Principle 4: Strategy and performance.</b></p> <p>The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy business model, performance and sustainable development are all inseparable elements</p>	<p>The board informs and approves Joburg Market's strategy, which is aligned with the mandate of the Shareholder and the value drivers of Joburg Market's business.</p> <p>The board oversees and monitors management's implementation of the</p>	<p>Integrated Annual Report.</p>	<p>Compliant</p>

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of the value creation process.	strategy and business plan on a quarterly basis.		
<p><b>Principle 5: Reporting.</b></p> <p>The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short, medium and long term prospects.</p>	<p>The board, through the Audit Committee, ensures that the necessary controls are in place to ensure and safeguard the integrity of all financial information and reporting documentation. The Entity ensures its financial statements are prepared in accordance with applicable accounting standards and legislative requirements.</p>	<p>Integrated Annual Report. Audited Financial Statements.</p>	<p>Compliant</p>
<b>Governance Outcome Three: Adequate and Effective Control</b>			
<p><b>Principle 6: Primary role and responsibilities of the governing body.</b></p> <p>The governing body should serve as the focal point and custodian of corporate governance in the organisation.</p>	<p>The board meets once a quarter. Should an important matter arise between scheduled meetings, additional meetings are convened once permission is granted by the respective Portfolio MMC.</p>	<p>The board has an approved charter, which it reviews annually. The charter sets out its governance responsibilities, including its role, responsibilities, membership requirements and procedural conduct.</p> <p>Group Shareholder Policy.</p>	<p>Compliant</p>
<p><b>Principle 7: Composition of the governing body.</b></p> <p>The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.</p>	<p>The shareholder assesses the adequacy of the board's composition annually to ensure that it is still fit for purpose, has the right balance of skills, experience, diversity, independence and knowledge.</p>	<p>Board Assessments.</p>	<p>Compliant</p>

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<p><b>Principle 8: Committees of the governing body.</b></p> <p>The governing body should ensure that its arrangements for delegation within its own structures promote independent judgment and assist with balance of power and the effective discharge of its duties.</p>	<p>Committees are to be established to assist the board in discharging its responsibilities.</p> <p>The committees of the board comprise the Audit and Risk Committee (ARC) and the Remuneration, Social and Ethics Committee (REMSEC).</p>	<p>Shareholder Compact.</p> <p>Committee Terms of Reference.</p>	<p>Compliant</p>
<p><b>Principle 9: Evaluations of the performance of the governing body.</b></p> <p>The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.</p>	<p>The effectiveness of the performance of the board, its committees, individual Non-Executive directors and the Chairperson is assessed annually by the Shareholder.</p>	<p>Board Assessments.</p>	<p>Compliant</p>
<p><b>Principle 10: Appointment and delegation of management.</b></p> <p>The governing body should ensure that the appointment of, and delegation to, management, role clarity and effective exercise of authority and responsibility.</p>	<p>The board plays a role in the appointment and recommendation of the CEO to the Shareholder.</p>	<p>Group Shareholder Policy.</p>	<p>Compliant</p>
<p><b>Principle 11: Risk Governance.</b></p> <p>The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.</p>	<p>The ARC committee assists the board with the governance of risk. Joburg Market's enterprise risk management and combined assurance framework, together with other Group policies and procedures inform its risk management culture.</p>	<p>Integrated Annual Report.</p>	<p>Compliant</p>

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<p><b>Principle 12: Technology and information governance.</b></p> <p>The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.</p>	<p>Information management is an important part of Joburg Market's business and is essential to the strategy, performance and sustainability of the Group.</p>	<p>ICT Policies.</p> <p>Integrated Annual Report.</p>	<p>Compliant</p>
<p><b>Principle 13: Compliance governance.</b></p> <p>The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standard in a way that supports the organisation being ethical and a good corporate citizen.</p>	<p>Joburg Market is committed to conducting its business in compliance with all applicable laws and regulations.</p> <p>Safety, health and environmental laws are all identified as key legal compliance areas and therefore receive the necessary attention on an on-going basis.</p>	<p>Group Policies and Procedures.</p>	<p>Compliant</p>
<p><b>Principle 14: Remuneration governance.</b></p> <p>The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.</p>	<p>Independent approval and overseeing of the overall remuneration structure is delegated by the board to the REMSEC committee.</p>	<p>Committee Terms of Reference.</p>	<p>Compliant</p>
<p><b>Principle 15: Assurance.</b></p> <p>The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information</p>	<p>The board, supported by the ARC committee, ensures an effective control environment, which supports the integrity of information.</p>	<p>Committee Terms of Reference.</p> <p>Audited Financial Statements.</p> <p>Integrated Annual Report.</p>	<p>Compliant</p>

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for internal decision-making and of the external reports.			
<b>Governance Outcome Four: Trust, Good Reputation and Legitimacy</b>			
<p><b>Principle 16: Stakeholders.</b></p> <p>In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder inclusive approach that balance the needs, interests and expectations of material stakeholders in the best interest of the organisation over time.</p>	<p>Joburg Market has identified its stakeholder group and actively balances their legitimate and reasonable needs, interests and expectations.</p>	<p>Group Shareholder Policy.</p> <p>Service Delivery Agreement.</p> <p>Shareholder Compact.</p> <p>Union Agreements.</p>	<p>Compliant</p>