

CORPORATE GOVERNANCE-
KING III COMPLIANCE

Analysis of the application as at 31 March 2017 by Master Drilling Group Limited (“the Company”) of the 75 corporate governance principles as recommended by the King Code of Governance for South Africa 2009 (“King III”).

Area	King III Principle	Requirement	Status	Commentary
Chapter 1.		Ethical leadership and corporate citizenship		
Responsible leadership; the Board’s responsibilities and ethical foundation	Principle 1.1	The Board of Directors of the Company (“the Board”) should provide effective leadership base on an ethical foundation.	Applied	The Board confirms its commitment to the highest standards of corporate governance. A Board Charter, a Code of Ethics and a Code of Conduct adopted by the Board and applied throughout the Company set the ethical foundation on which the Company operates, further enhanced by the function of a Social, Ethics and Sustainability Board Committee.
	Principle 1.2	The Board should ensure that the Company is and is seen to be a responsible corporate citizen.	Applied	This is achieved through the Board Charter, the Code of Conduct and the Code of Ethics, which set the policy framework, and through specific operational and corporate management structures. This framework has been established to ensure human and financial resources are employed effectively, including to beneficially impact on communities. The Social, Ethics and Sustainability Committee plays a specific role in this regard.
	Principle 1.3	The Board should ensure that the Company’s ethics are managed effectively.	Applied	To provide direction and clarity, various policies have been developed by the Company’s Social, Ethics and Sustainability Committee for, among other matters, conflicts of interest, gifts and hospitality, anti-bribery, anti-corruption and nepotism. These policies were approved by the Board, and are communicated to all employees and applied

Area	King III Principle	Requirement	Status	Commentary
Chapter 1 (cont.)		Ethical leadership and corporate citizenship		
				throughout the Company. The Company has implemented a combined assurance process to provide the Board with the necessary assurance that there is alignment between the strategy of Risk Management and the implementation and execution of controls to manage the identified risks effectively. Ethical and compliance risk is factored into this risk and combined assurance processes.
Chapter 2		Board and directors		
Role and function of the Board	Principle 2.1	The Board should act as the focal point for and custodian of corporate governance.	Applied	The Board ensures that the Company applies the governance principles contained in King III and continues to further entrench and strengthen recommended practices through the Company's governance structures, systems, processes and procedures, as tasked by a formal Board Charter. The Corporate Governance Committee plays a specific role in this regard.
	Principle 2.2	The Board should appreciate that strategy, risk, performance and sustainability are inseparable.	Applied	The Board fully agrees with this principle and, as a whole through its Committees, approves and monitors the implementation of the strategy and business plan of the Company, sets objectives, reviews key risks, evaluates performance against the background of economic, environmental and social issues relevant to the Company and global economic conditions – all as an integrated process.
	Principle 2.3	The Board should provide effective leadership based on an ethical foundation.	Applied	The Board confirms its commitment to the highest standards of ethical corporate governance. The Board Charter and the Code of Conduct adopted by the Board set the ethical foundation upon which the Company operates.

Area	King III Principle	Requirement	Status	Commentary
Chapter 2 (cont.)				
Board and directors				
	Principle 2.4	The Board should ensure that the Company is and is seen to be responsible corporate citizen.	Applied	This is achieved through the Board Charter and the Code of Conduct, which set the policy framework, and through specific operational and corporate office structures. This framework has been established to ensure human and financial resources are employed effectively, including to beneficially impact on communities. The Social, Ethics and Sustainability Committee plays a specific role in this regard.
	Principle 2.5	The Board should ensure that the Company's ethics are managed effectively.	Applied	Commentary is the same as on principle 1.3 above.
	Principle 2.6	The Board should ensure that the Company has an effective and independent Audit Committee.	Applied	The Board Charter and Audit Committee Terms of Reference provide for the establishment of an Audit Committee. The effectiveness of the Committee is evaluated annually by the Board and Audit Committee members with input from the external and internal auditors. Grant Thornton, as external auditors, and KPMG, as internal auditors, assist the Committees in complying with these Terms of Reference.
	Principle 2.7	The Board should be responsible for the governance of risk.	Applied	The Board is assisted by the Risk Committee in discharging its responsibilities with respect to risk management generally, and by the Audit Committee in respect of reporting risks. On a quarterly basis, the Board, assisted by the Risk Committee, assesses the top risks (both imminent and longer term), facing the Company as well as monitoring and controlling strategies to manage these. The Company has a comprehensive risk register which is continuously updated. Refer to Principle 4 for a more detailed explanation on the Risk Committee.

Area	King III Principle	Requirement	Status	Commentary
Chapter 2 (cont.)				
Board and directors				
	Principle 2.8	The Board should be responsible for information technology (IT) governance.	Applied	The IT Governance Framework, including processes, procedures and structures, was adopted by the Board. This delegates implementation to Management. In terms of the Board Charter and the Audit Committee's Terms of Reference, the Audit Committee assists the Board with information technology governance. The Board is satisfied that the current systems of IT governance at the holding company level are appropriate. Additional investments shall be made so as to improve Global Reporting on operations in real time. An IT Steering Committee headed by the Chief Information Officer was formed to oversee the responsibilities of the dedicated IT manager. The IT assets are recorded on an IT register, and necessary systems are in place to monitor movement and replacement of assets. IT internal audits are conducted as part of the Enterprise Risk Management Process (ERP) system.
	Principle 2.9	The Board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards	Applied	Refer to principle 6.1
	Principle 2.10	The Board should ensure that there is an effective risk-based internal audit.	Applied	This responsibility of the Board has been delegated to the Audit Committee. The Company has an internal audit function which is currently outsourced to KPMG. The Internal Audit Charter requires the performance of risk based internal audits. Detailed reports are submitted to the Audit Committee for discussions with Management whilst a summary of the reports is presented to the Board.

Area	King III Principle	Requirement	Status	Commentary
Chapter 2 (cont.)		Board and directors		
	Principle 2.11	The Board should appreciate that stakeholders' perceptions affect the Company's reputation.	Applied	The Company engages its stakeholders on multiple levels and this allows the Company to manage issues effectively and timeously and reduces the likelihood of reputational risks. Stakeholder relationships is a standing Board agenda item on which the Social, Ethics and Sustainability Committee report to the Board on a quarterly basis.
	Principle 2.12	The Board should ensure the integrity of the Company's integrated report.	Applied	With the assistance of independent assurers such as Grant Thornton as external auditor, and KPMG as internal auditor, the Audit Committees as well as all the other Board Committees in their respective areas of responsibility review and evaluate the Integrated Annual Reports prior to recommendation for adoption by the Board.
	Principle 2.13	The Board should report on the effectiveness of the Company's system of internal controls.	Applied	The internal auditor submits formal reports to the Audit Committee quarterly on the effectiveness of the Company's internal controls. The Directors' report in the Integrated Annual Report includes the Audit Committee's confirmation of having received the internal auditor's written assessment of the effectiveness of the Company's systems of internal controls.
	Principle 2.14	The Board and its directors should act in the best interests of the Company.	Applied	Directors are mindful of their fiduciary duties and their duty to act in accordance with applicable legislation. Records of Directors' declarations of interests are kept and updated on an on-going basis. The Board acts as a steward of the Company and each Director acts with independence of mind in the best interests of the Company and its stakeholders. In its deliberations, decisions and actions, the Board is sensitive to the legitimate interests and expectations of the Company's stakeholders.

Area	King III Principle	Requirement	Status	Commentary
Chapter 2 (cont.)		Board and directors		
	Principle 2.15	The Board should consider business rescue proceedings or other turnaround mechanisms in the event that the Company becomes financially distressed as defined in the Act.	Applied	The Board is aware of the requirements of the Companies Act regarding financial distress circumstances (should those arise). The Company has established a risk management process that continuously evaluates controllable and non-controllable risks, threats and opportunities to ensure that the Company is operating optimally and is not in distress. The issuance of the Interim and Provisional Results management tables a going concern memorandum, the content of which is considered and confirmed by both the Audit Committee and the Board.
	Principle 2.16	The Board should elect a chairman of the Board who is an independent non-executive director. The CEO of the Company should not also fulfil the role of chairman of the Board.	Applied	The Company has an Independent Non-Executive Chairman. In line with the Board Charter, the roles of the Chairman and the Chief Executive Officer are separate and clearly defined.
	Principle 2.17	The Board should appoint the CEO and establish a framework for the delegation of authority.	Applied	While retaining overall accountability and subject to matters reserved to itself, the Board has delegated authority to the Chief Executive Officer, other Executive Directors and senior Management to run the day-to-day affairs of the Company subject to a formal approval framework.
Composition of the Board	Principle 2.18	The Board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent.	Applied	The Board has nine Directors comprising four Executive Directors and five Non-Executive Directors. Four of the five Non-Executive Directors are independent, there is one Non-Executive Director who is not independent. There is one alternate director, who is an executive.

Area	King III Principle	Requirement	Status	Commentary
Chapter 2 (cont.)		Board and directors		
Board appointments process	Principle 2.19	Directors should be appointed through a formal process.	Applied	To ensure a rigorous and transparent process, any new appointment of a Director is considered by the Board as a whole, on the recommendation of the Nomination Committee. The selection process involves considering the existing balance of skills and experience on the Board and a continual process of assessing the needs of the Company. Directors are appointed in accordance with the Company's Memorandum of Incorporation.
Director appointment	Principle 2.20	The induction of and ongoing training and development of directors should be conducted through formal processes.	Applied	A formal induction programme is available for new Directors including background material and meetings with Executive Directors. All Directors are invited on site visits and to the annual strategy meeting with senior management. Ongoing training includes workshops presented by external advisors and additional training is facilitated as and when required.
Company Secretary	Principle 2.21	The Board should be assisted by a competent, suitably qualified and experienced Company Secretary.	Applied	The Company Secretary is duly appointed by the Board in accordance with the Companies Act and the JSE Listings Requirements and is evaluated annually. The Board is satisfied that the Company Secretary is suitably qualified and experienced to competently carry out the duties and responsibilities of Company Secretary. The Company Secretary is independent of the Company.
Performance assessment	Principle 2.22	The evaluation of the Board, its Committees and the individual directors should be performed every year.	Applied	The performance of the Board and its committees is evaluated annually.

Area	King III Principle	Requirement	Status	Commentary
Chapter 2 (cont.)				
Board and directors				
Board Committees	Principle 2.23	The Board should delegate certain functions to well-structured Committees but without abdicating its own responsibilities.	Applied	The Board has six Committees that assist it in discharging its duties and responsibilities. These Committees operate in accordance with written terms of reference approved by the Board and reviewed annually, with progress on duties and responsibilities reviewed quarterly.
Group Boards	Principle 2.24	A governance framework should be agreed between the Group and its subsidiary Boards.	Applied	The activities of the main subsidiary Boards are reported to the Board.
Remuneration of directors and senior executives	Principle 2.25	The Company should remunerate directors and executives fairly and responsibly.	Applied	The Remuneration Committee oversees the remuneration of Directors and Senior Executives and makes recommendations to the Board, which makes the final determination considering market conditions, expert advice from remuneration specialists and in accordance with the Remuneration Policy. Non-executive directors' fees are submitted annually to shareholders for approval at the Annual General Meeting. Refer to the Remuneration Report in the Integrated Annual Report.
	Principle 2.26	The Company should disclose the remuneration of each individual director and each prescribed officer.	Applied	The remuneration of Directors and Prescribed Officers is included in the Directors' report in the Integrated Annual Report.
	Principle 2.27	Shareholders should approve the Company's remuneration policy	Applied	The Company's Remuneration Report, including the Remuneration Policy and implementation report, is approved by the Board on recommendation by the Remuneration

Area	King III Principle	Requirement	Status	Commentary
Chapter 2 (cont.)		Board and directors		
				Committee, and is tabled for a non-binding advisory vote at each Annual General Meeting of shareholders.
Chapter 3.		Audit Committee		
	Principle 3.1	The Board should ensure that the Company has an effective and independent Audit Committee.	Applied	Refer to Principle 2.6 for a detailed explanation on the effectiveness of the Audit Committee. The Audit Committee charter provides for the independence of the Audit Committee.
Membership and resources of the Audit Committee	Principle 3.2	Audit Committee members should be suitably skilled and experienced independent non-executive directors.	Applied	The majority of the members of the Audit Committee are independent, non-executive directors. The Committee Charter provides for at least three independent, non-executive directors. The Nomination Committee considers the independence (in terms of King III), skills (as set out in the Audit and Risk Committees' respective Terms of Reference) and experience of the Committee members on an ongoing basis.
	Principle 3.3	The Audit Committee should be chaired by an independent non-executive director.	Applied	The Audit Committee Charter provides for an Independent, non-executive director to serve as Chairman of the Audit Committee. The Board has appointed a suitably qualified Independent Non-Executive Director to chair the Audit Committee.

Area	King III Principle	Requirement	Status	Commentary
Chapter 3 (cont.)		Audit Committee		
Responsibilities of the Audit Committee	Principle 3.4	The Audit Committee should oversee integrated reporting.	Applied	The Audit Committee has oversight over the preparation of the Integrated Annual Report including the Annual Financial Statements and sustainability information, and recommends the approval of the Integrated Annual Report to the Board.
	Principle 3.5	The Audit Committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.	Substantially Applied	The Audit Committee and Risk Committee oversee the combined assurance framework and receives regular reports on assurance matters.
Internal assurance providers	Principle 3.6	The Audit Committee should satisfy itself of the expertise, resources and experience of the Company's finance function.	Applied	Annually, the Audit Committee evaluates the expertise and experience of the Chief Financial Officer as well as the level of financial experience and qualifications of corporate finance executives. The Committee reports on its satisfaction with the expertise and experience of the Chief Financial Officer and the finance function annually in the Integrated Annual Report.
	Principle 3.7	The Audit Committee should be responsible for overseeing internal audit processes.	Applied	The Audit Committee is responsible for overseeing the internal audit function currently performed by KPMG, including the approval of the annual internal audit plan and budget. The internal auditor reports to the Audit Committee quarterly in terms of the Internal Audit Charter.

Area	King III Principle	Requirement	Status	Commentary
Chapter 3 (cont.)		Audit Committee		
	Principle 3.8	The Audit Committee should be an integral component of the Risk Management process.	Applied	The Risk Committee is responsible for overseeing risk management generally and reports on its activities and findings to the Board. The Audit Committee is responsible for overseeing reporting risks and reports on its activities to the Board and to shareholders. The Risk Manager reports to both the Audit and Risk Committees quarterly on risk matters and processes.
External assurance providers	Principle 3.9	The Audit Committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process.	Applied	Annually, the Audit Committee oversees the external audit process, approves audit fees and non-audit fees above prescribed levels, reviews the independence of the external auditor including the professional suitability of the lead auditor and recommends their appointment to the Board and shareholders for the forthcoming financial year.
Reporting	Principle 3.10	The Audit Committee should report to the Board and shareholders on how it has discharged its duties.	Applied	The Audit Committee reports to the Board at each Board meeting. A report to shareholders on how the Committee discharged its duties is included in the Report of the Audit Committee Chairman in the Integrated Annual Report.

Area	King III Principle	Requirement	Status	Commentary
Chapter 4.		The Governance of Risk		
	Principle 4.1	The Board should be responsible for the governance of risk.	Applied	In terms of the Board Charter, the Board is responsible for the governance of risk and the Audit and Risk Committees assist the Board with this responsibility. The charters of both the Audit and Risk Committees state that these committees are responsible for assisting the Board with the governance of risk function.
	Principle 4.2	The Board should determine the levels of risk tolerance.	Applied	The Board, through the Audit and Risk Committees, monitors the controls and residual risk profile of the principal risks of the Group against set criteria/tolerance levels and periodically reviews these levels of risk tolerance.
	Principle 4.3	The Risk Committee or Audit Committee should assist the Board in carrying out its risk responsibilities.	Applied	In terms of the Board Charter, the Board is responsible for the governance of risk and the Audit and Risk Committees assist the Board with this responsibility. The Risk Manager assists the Audit and Risk Committees with the governance of risk.
Management's responsibility for risk management	Principle 4.4	The Board should delegate to management the responsibility to design, implement and monitor the risk management plan.	Applied	The Risk Manager reports quarterly to the Risk Committee in terms of the Risk Management Plan approved annually by the Risk Committee. In terms of the Risk Committee's Terms of Reference, management designs, implements and monitors the Plan and is accountable for embedding the risk management process in the business. Day-to-day responsibility for the management of the Plan rests with the Risk Manager.

Area	King III Principle	Requirement	Status	Commentary
Chapter 4. (cont.)		The Governance of Risk		
Risk assessment	Principle 4.5	The Board should ensure that risk assessments are performed on a continual basis.	Applied	Formal risk assessments are performed regularly at the operational, divisional and corporate levels in terms of a detailed Risk Management Plan. The formalised risk assessment process identifies risks, threats and opportunities. The Risk Committee reviews these assessments on a quarterly basis
Risk response	Principle 4.6	The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks.	Applied	Management implemented a workshop methodology, site visits and one-on-one meetings as the basis upon which the risk assessments are conducted, to increase the probability of unpredictable risks being identified and considered. The results are reported to the Audit and Risk Committees.
Risk response	Principle 4.7	The Board should ensure that management considers and implements appropriate risk responses.	Applied	The implementation of controls and other risk management measures is monitored by management on an ongoing basis, and reported to the Audit and Risk Committees. The Risk Committee reviews the responses to the risks identified on a quarterly basis
Risk monitoring	Principle 4.8	The Board should ensure continual risk monitoring by management.	Applied	Continual risk monitoring is required in terms of the Risk Management Plan and the process is monitored by management. There is continual risk monitoring by KPMG as internal auditor and management, with follow-up reviews and attendance at Audit and Risk Committees meetings.
Risk assurance	Principle 4.9	The Board should receive assurance regarding the effectiveness of the risk management process.	Applied	The internal audit function performed by KPMG provides assurance to the Audit and Risk Committees regarding the effectiveness of the risk management process. These

Area	King III Principle	Requirement	Status	Commentary
Chapter 4. (cont.)		The Governance of Risk		
				committees in turn provide the Board with the required assurance.
Risk disclosure	Principle 4.10	The Board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.	Applied	Risk disclosure is made annually in the Integrated Annual Report. The Board discloses the top risks faced by the Company and confirms its satisfaction with the management of the risk management processes.
Chapter 5. The governance of information technology				
	Principle 5.1	The Board should be responsible for information technology (IT) governance.	Applied	An IT Steering Committee headed by the Chief Information Officer was formed that oversees the responsibilities of the dedicated IT manager. The Chief Information Officer reports to the Board on IT governance on a quarterly basis.
	Principle 5.2	IT should be aligned with the performance and sustainability objectives of the Company.	Applied	IT policies and procedures ensure alignment with the performance and sustainability of the Company.
	Principle 5.3	The Board should delegate to management the responsibility for the implementation of an IT governance framework.	Applied	Refer to principle 5.1

Area	King III Principle	Requirement	Status	Commentary
Chapter 5. (cont.) The governance of information technology				
	Principle 5.4	The Board should monitor and evaluate significant IT investments and expenditure.	Applied	Monthly IT meetings and capital approval processes are in place. IT investment is part of the annual capital approval process requiring approval by the Board.
	Principle 5.5	IT should form an integral part of the Company's risk management.	Applied	IT is a standard item on monthly management meetings and IT Manager reports bi-annually to the Risk Committee. Risks and controls associated with the IT function are incorporated in operational, divisional and the Group Risk Management Process.
	Principle 5.6	The Board should ensure that information assets are managed effectively.	Applied	Monthly IT Steering Committee meetings with the Chief Information Officer and Chief Executive Officer ensure the effective management of information assets. Continual evaluation of IT systems with continuous improvements/upgrades as and when required by business are performed and reported on to the Audit and Risk Committees and the Board.
	Principle 5.7	A Risk Committee and Audit Committee should assist the Board in carrying out its IT responsibilities.	Applied	This is a standard agenda item for these committees. Assessing and monitoring the adequacy of IT functionality throughout the Group forms part of the duties of the Risk and Audit Committees, and they report thereon to the Board on a quarterly basis.

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Chapter 6. Compliance with laws, code, rules and standards				
	Principle 6.1	The Board should ensure that the Company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	Applied	A compliance function has been established at Group level and a Group legal compliance policy, with reporting structures, has been established. Adherence to non-binding rules, codes and standards is considered and where deemed practicable, is enforced as appropriate.
	Principle 6.2	The Board and each individual director should have a working understanding of the effect of the applicable laws, rules, codes and standards on the Company and its business.	Applied	The Company has interests in a diverse portfolio of businesses across a wide global geographical spread. Divisional management is responsible to ensure compliance with the respective laws and regulations applicable to their operations. Any material instances of non-compliance are brought to the attention of the Board and the Directors, who have a broad, albeit not necessarily industry or country specific, understanding of the respective laws, rules, codes, standards and regulations. The Board and the Directors however have a working understanding of the effect of instances of material non-compliance and the control and reporting systems in place across the Group which serves to ensure that the Board and its Directors are in a suitable position to take appropriate action if required.
	Principle 6.3	Compliance risk should form an integral part of the Company's risk management process.	Applied	Risk management is embedded throughout the organisation with both formal and informal processes. Many compliance matters are managed daily ranging from compliance relating to health and safety, regulations imposed by our clients, compliance with taxation laws to compliance with country specific laws and regulations upon and after entering new jurisdictions.

Area	King III Principle	Requirement	Status	Commentary
Chapter 6. (cont.) Compliance with laws, code, rules and standards				
	Principle 6.4	The Board should delegate to management the implementation of an effective compliance framework and processes.	Applied	The management of each division is responsible for managing and reporting on the implementation of an effective compliance framework and process. The Group's Risk Manager interacts regularly with the Board, the Board Committees and Management on strategic compliance matters.
Chapter 7. Internal Audit				
The need for and the role of Internal audit	Principle 7.1	The Board should ensure that there is an effective risk based internal audit.	Applied	Refer to Principle 2.10 for a detailed explanation on the KPMG function as internal auditor.
Internal audit's approach and plan	Principle 7.2	Internal audit should follow a risk based approach to its plan.	Applied	KPMG as internal auditor has adopted a risk-based approach to internal auditing function. The focus of KPMG's reviews is risk based and the audit plan is reassessed quarterly to ensure that the service delivery of internal audit is aligned to the changing risk environment of the Group.
	Principle 7.3	Internal audit should provide a written assessment of the effectiveness of the Company's system of internal controls and risk management.	Applied	As part of the Combined Assurance Framework, KPMG provides a written assessment to the Audit Committee on the following aspects: Ethical Leadership; Risk Management; Governance of IT; Compliance with Laws; Regulations; Rules and Binding Codes; Internal Control over Financial Reporting and Internal Control. The assessments provided are supported by the results obtained through the Combined Assurance Framework. KPMG works to an annual internal audit plan.

Area	King III Principle	Requirement	Status	Commentary
Chapter 7. (cont.)		Internal Audit		
	Principle 7.4	The Audit Committee should be responsible for overseeing internal audit.	Applied	Refer to Principles 2.10 and 3 for a detailed explanation of the Audit Committee's responsibilities in terms of internal audit.
Internal audit's status in the Company	Principle 7.5	Internal audit should be strategically positioned to achieve its objectives.	Applied	KPMG is resourced by a team of competent internal audit specialists. A formal quality assurance review process is in place as required by the Institute of Internal Auditors.
Chapter 8.		Governing stakeholder relationship		
	Principle 8.1	The Board should appreciate that stakeholders' perceptions affect a Company's reputation.	Applied	The Company engages its stakeholders on multiple levels. This allows the Company to manage issues effectively and timeously and reduces the likelihood of reputational risks. Reporting on stakeholder relationships is a standing Board agenda item on which the Social, Ethics and Sustainability Committee report to the Board on a quarterly basis.
	Principle 8.2	The Board should delegate to management to proactively deal with stakeholder relationships.	Applied	Refer to Principle 8.1 above on how this is applied.
	Principle 8.3	The Board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the Company.	Applied	The Board follows an integrated approach in its interactions with clients, understanding that sometimes disparate stakeholder needs may arise. The appropriate level of Management deals with key stakeholder concerns to ensure a holistic approach to engagement for all involved.

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Chapter 8.		Governing stakeholder relationship		
	Principle 8.4	Companies should ensure the equitable treatment of shareholders.	Applied	The South Africa Companies Act No. 71 of 2008 (as amended) and the JSE Listing Requirements contain appropriate protections and the Memorandum of Incorporation does not remove any such powers. The Company strives to adhere to these requirements in all respects.
	Principle 8.5	Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.	Applied	This is accepted and applied by the Board and Management of the Company by communication to stakeholders through the Integrated Annual Report.
Dispute Resolution	Principle 8.6	The Board should ensure that disputes are resolved as effectively, efficiently and expeditiously as possible.	Applied	<p>Dispute resolution in relation to customer and supplier disputes is governed by the contractual terms and conditions within the signed contract. Process flows indicate the appropriate level of Management to engage in dispute resolution.</p> <p>Dispute resolution with employees is governed by means of their union membership and the internal dispute resolution and other human resources policies available to employees.</p> <p>Any other ad hoc dispute resolution will be dealt with by Senior Management as deemed appropriate. The Mine, Health and Safety Act also provides for dispute resolution procedures to which the Company conforms.</p>

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Chapter 9.		Integrated reporting and disclosure		
Transparency and accountability	Principle 9.1	The Board should ensure the integrity of the Company's integrated report.	Applied	The Annual Integrated Report (which aims to provide a holistic view of the business – operational, financial and non-financial) is formally reviewed and approved by the Board upon the recommendation of the Audit Committee.
	Principle 9.2	Sustainability reporting and disclosure should be integrated with the Company's financial reporting.	Applied	Material sustainability metrics are reported on in the Integrated Annual Report.
	Principle 9.3	Sustainability reporting and disclosure should be independently assured.	Not applied	Sustainability reporting is not independently assured as yet. Sustainability information is subject to Management review and internal controls.