

Board Committees

The following committees have been formed, each of which is chaired by a Non-Executive Director:

- Audit and Risk Committee;
- Remuneration and Human Resources Committee (REMCO);
- Transactions Committee;
- Social and Ethics Committee; and
- Transformation Committee.

Audit and Risk Committee

The Audit and Risk Committee consists of the following three Independent Committee members:

- Mr V Mokwena;
- Mr G Mufana; and
- Mr Y Gordhan.

Three Non-Executive Directors:

- Advocate Mogale;
- Mr M Rabodila; and
- M L Mabuza.

The role of the Audit and Risk Committee is to assist the Board by performing an objective and independent review of the functioning of the organisation's finance and accounting control mechanisms. The Committee exercises its functions through close liaison and communication with Management and the internal and external auditors.

The Committee has been delegated the task of overseeing the quality, integrity, and reliability of the Company's risk management function. In terms of its mandate, it reviews and assesses the integrity and the quality of risk control systems and ensures that risk policies and strategies are effectively managed.

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The Audit and Risk Committee operates in accordance with written terms of reference approved by the Board, as well as the legislative framework of the Municipal Finance Management Act, No 56 of 2003 (MFMA), the Companies Act No 71 of 2008, as well as various other applicable acts and regulations, and provides assistance to the Board with regard to:

- Ensuring compliance with applicable legislation and the requirements of regulatory authorities;
- Matters relating to financial accounting, accounting policies, reporting and disclosures;
- Internal and external audit policy;
- Activities, scope, adequacy and effectiveness of the internal audit function and audit plans;
- Review/approval of external audit plans, findings, problems, reports and fees;
- Risk Management;
- Compliance with the Code of Corporate Practices and Conduct; and
- Compliance with code of ethics.

The Audit and Risk Committee addressed its responsibilities in line with the terms of reference and the MFMA during the year under review. Management has reviewed the financial statements with the Audit and Risk Committee.

The Committee met seven times during the period under review.

Remuneration and Human Resource Committee

Remuneration and Human Resource Committee (REMCO) consists of the following Non-Executive Directors:

- Ms M Mojabelo (Chairperson)
- Prof A Nevhutanda
- Mr F Ntombela; and
- Pastor C Kai.

The Remuneration and Human Resources Committee advises the Board on Remuneration Policies, Remuneration Packages, and other terms of employment for Senior Management. Its specific Terms of Reference also include recommendations to the Board on matters relating inter alia, Human Resources policies, Executive Remuneration, and other Human Resources and Remuneration affairs of the Company.

The Committee met five times in the period under review and discussed issues in line with its approved Terms of References.

Transactions and Service Delivery Committee

The Transactions and Service Delivery consists of the following Non-Executive Directors:

- Prof A Nevhutanda (Chairperson);
- Mr M Rabodila;
- Mr L Mabuza;
- Adv M Mogale; and
- Mr M Morojele.

All property transactions are considered by the Transactions Committee that makes recommendations to the Board or the Shareholder. The Committee has delegated powers from the Board to deal effectively with certain operational issues relating to the Property Portfolio of the Shareholder and operates within the Terms and Reference as approved by the Board

The Committee met five times in the period under review and discussed issues in line with its approved Terms of References.

Social and Ethics Committee

The Social and Ethics Committee consists of the following Non-Executive Directors:

- Pastor C Kai (Chairperson);
- Prof A Nevhutanda; and
- Mr F Ntombela.

The purpose of the Committee is to monitor the Company's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice. It looks into social and economic development, including the Company's standing in terms of the goals and purposes, good corporate citizenship, the environment, health and public safety, consumer relationships, including the Company's advertising, public relations and compliance with consumer protection laws and labour and employment.

The Committee met three times in the period under review.