

## Corporate Governance Statement

The Board and Management of the JPC are committed to maintaining the highest standards of corporate governance by ensuring that the Company's ethics are managed effectively through building an ethical culture, setting ethical standards, measuring adherence, and incorporating ethics into risk management, operations, performance management, and disclosure.

This Corporate Governance Statement therefore describes the governance principles and practices of the JPC in relation to the ethical values of good corporate governance founded on the four primary pillars of responsibility, accountability, fairness, and transparency as envisioned in the King III Report.

This statement also describes how JPC has applied the principles set out in the Companies Act 71 of 2008 (the Companies Act), the Municipal Systems Act (MSA), the Municipal Finance Management Act (MFMA), the policies and agreements entered into with its sole shareholder, CoJ as well as standards of best practice.

### Application of King III

The entity has incorporated the CoJ's Corporate Governance Protocol in its Board Charter in line with the governance principles contained in the King III report and continues to further entrench and strengthen recommended practices in its governance structures, systems, processes, and procedures.

Through this process, shareholders and other stakeholders may derive assurance that the entity is being ethically managed according to prudently determined risk parameters in compliance with generally accepted corporate practices.

The entity practices are, in most material instances, in line with the principles set out in the King III Report.

### ICT Governance

The Board accepts that it is responsible for the governance of IT. The Board in terms of King III acknowledges that IT should be aligned to the sustainability and performance objectives of the Company. An ICT steering committee has been established in terms whereof the implementation of an ICT governance framework has been delegated to Management. The Board acknowledges that the IT forms an integral part of risk management.

### Group's Governance Framework

The City's Governance Framework assists the City as a group to better understand the governance structure and principles required to ensure effectiveness and accountability. This indicates that the conception of the City as a "Holding Company" with "Subsidiaries" is reinforced and the alignment and consistency of the City and Group policies is achieved through setting of consistent performance standards.

### Ethical Leadership

The fundamental objective has always been to do business ethically while building a sustainable company that recognises the short- and long-term impact of its activities on the economy, society, and the environment. In its deliberations, decisions, and actions, the Board is sensitive to the legitimate interests and expectations of the Company's stakeholders.

### Corporate Citizenship

The Board and Management recognise that the entity's responsibility is to protect, enhance, and invest in the well-being of the economy, society, and natural environment. The Board therefore ensures that Management pursues the Company's activities within the limits of social, political, and environmental responsibilities outlined in international conventions on human rights.

### Compliance with Laws, Rules, Codes and Standards

The Board is responsible for ensuring that the entity complies with applicable laws and considers adhering to non-binding rules, codes and standards.