

## Section 3: Board Committees

The Board has the following four committees, each chaired by a Non-Executive Director:

- Audit and Risk Committee
- Remuneration and Human Resource Committee
- Transactions and Service Delivery Committee
- Transformation, Social and Ethics Committee

### Audit and Risk Committee

The committee consists of the following Non-Executive Directors and Independent Audit Committee members:

- Ms. Lindani Mabuza – IAC (Chairperson)
- Prof. Aly Karam – NED
- Mr. George Mufana – IAC
- Ms. Maggie Mojapelo – NED
- Mr. Vusi Mokwena – IAC

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, inter alia, overseeing the quality, integrity and reliability of the company's financial and 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.

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 MFMA, the Companies Act and various other applicable acts and regulations.

This committee executed its responsibilities according to the terms of reference during the seven meetings held during the year. The committee completed the following tasks, among others:

- Oversaw the appointment of an external audit firm and external audit process, including the approval of the Auditor-General of South Africa audit fee, held a committee meeting with AGSA without management, and so on.
- Oversaw the Internal Audit function, including approval of the internal audit plan, its fees, internal audit reports, and measuring the effectiveness of the Internal Audit function.
- Reviewed JPC's processing to ensure compliance with applicable legal and regulatory provisions.
- Reviewed the annual financial statements and Integrated Annual Report prior to approval by the board.
- Oversaw the drafting of the integrated report and reviewing the document to avoid material misstatement and improve its integrity.
- Reviewed the disclosure of sustainability issues in the integrated report to ensure that it is reliable and does not conflict with the financial information.
- Considered the appropriateness of the expertise and adequacy of resources of the finance team. The committee is satisfied with this team's expertise and resources.
- Considered the expertise and experience of the senior management members responsible for the Finance function. The committee is satisfied with the expertise and experience of senior management of the Finance function.
- The committee is satisfied with the content and quality of the quarterly reports submitted according to the MFMA.