

12.6 Audit and Risk Committee

Currently, the Audit and Risk Committee comprises of three (3) non-executive directors, namely: Mr L Mabuza (Chairperson), Ms M Mojapelo and Prof. A Karam.

In terms of Section 166 of the Municipal Finance Management Act, City of Johannesburg, as a parent municipality, must appoint members of the Audit and Risk Committee. Notwithstanding that non-executive directors appointed by the parent municipality constituted the municipal entities' Audit and Risk Committees, National Treasury policy requires that parent municipalities should appoint further members of the municipal entity's Audit and Risk Committees who are not directors of the municipal entity onto the Audit and Risk Committee and these independent members are Mr V Mokwena and Mr G Mufana. The Audit and Risk Committee has fulfilled its responsibilities as provided for in Section 166 of the Municipal Finance Management Act.

12.7 Social & Ethics and Transformation Committee

The Social and Ethics Committee comprises five (5) members, namely: Mr O Maseko (Chairperson), Mr P Corbin, Mr N Baloyi, Ms M Dolamo and Mr M Morojele. The Board approved the merger of the Social & Ethics and Transformation Committees at its induction session held on 11 April 2017. The Committee became formally known as the Social & Ethics and Transformation Committee. For the year under the review and before the merger, up to 16 March 2017, the Social and Ethics Committee comprised of three (3) members, namely: Past C Kai (Chairperson), Mr. F Ntombela and Prof. A Nevhutanda. These members all retired as Board members on 16 March 2017. The function 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 the Company's social and economic development, including the organisation'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.

12.8 Transformation Committee

For the year under the review and before the merger of the Social & Ethics and Transformation Committees, up to 16 March 2017, the Transformation Committee comprised of five (5) members, namely: Mr. F Ntombela (Chairperson), Mr. L Mabuza, Mr. M Rabodila, Past C Kai and Mr. M Morojele. These members all retired as Board members on 16 March 2017. The committee was mandated to develop the Transformation Policy, oversee and ensure the alignment of Transformation strategy and plans proposed by the JPC corporate strategy, monitor the development and implementation of transformation strategies and define how JPC will transform the property industry.

12.9 Transactions and Service Delivery Committee

The Transaction Committee comprises six (6) members, namely: Mr O Kemp (Chairperson), Mr N Baloyi, Ms N Mpofu, Prof A Karam, Mr M Morojele and Mr P Corbin. Up to 16 March 2017, the Transactions & Service Delivery Committee comprised of five (5) members, namely: Prof. A Nevhutanda (Chairperson), Mr. L Mabuza, Mr. M Rabodila, Mr. M Morojele and Ms. M Mogale. The primary objective of the committee is to assist the Board in discharging its responsibility by considering all reports relating to property transactions. The committee also ensures that revenue generation targets are achieved in relation to the property portfolio and to make the necessary recommendations to the Board or COJ to ensure that service delivery is enhanced and property related transactions are concluded efficiently within the legal framework that JPC and the CoJ operates in.

12.10 Internal Audit

The company's internal audit function is performed by Nexia SAB&T. The appointment is made in compliance with section 165 of the Municipal Finance Management Act No.56 of 2003.

13. Controlling Entity

The company's controlling entity is the City of Johannesburg Metropolitan Municipality incorporated in South Africa.

14. Auditors

The Auditor General: Gauteng will continue in office in accordance with the Public Audit Act No 25 of 2005, section 92 of the Municipal Finance Management Act No 56 of 2003.