



## Corporate Governance

The members of the Board and management recognise the need to conduct the business of the Board with integrity and in accordance with sound corporate governance practices and are therefore committed to the principles of openness, fairness, integrity and accountability.

### Board

The Board is made up of a non-executive Chairperson, non-executive members, with the Chief Executive Officer (ex officio, having no vote) being the only executive member. The members of the Board consist of men and women of integrity who bring a wealth of experience from different backgrounds, all of which help to enrich the Board. See Board composition on page 32.

### Executive Committee

The Executive Committee comprises five non-executive members and the Chief Executive Officer. The Executive Committee deals with operational issues as delegated to it by the Board, such as finance, human resources, administration and remuneration issues. The Chairperson of the Board also chairs the Executive Committee.

### Audit Committee

The Audit Committee is constituted in terms of the requirements of sound corporate governance practices and operates within that framework. The names of the Committee members appear on page 32.

The Committee comprises of five non-executive members and meets at least three times a year. Both external and internal audit have unrestricted access to the Committee and attend meetings.

The role and responsibilities of the Committee are documented in the Terms of Reference for the Audit Committee. An important role

of the Committee is to review the effective functioning of the internal audit and to ensure that the roles and functions of the external audit and the internal audit are sufficiently clarified and co-ordinated to provide an objective overview of the operational effectiveness of the Board's systems of internal control and reporting, avoiding duplication of work.

In terms of Treasury Regulation 27 the Audit Committee is also required to –

- Report and make recommendations to the Board on matters falling within its mandate
- Report on the effectiveness of internal controls in the annual report
- Comment on its evaluation of the financial statements in the annual report

The Committee's report on these matters is dealt with under a separate heading in the Board Members' report.

### Tender Committee

An internal Tender Committee chaired by the Chief Financial Officer has been established for assisting the Board with evaluating and approving tenders, above certain predetermined limits, for services and products required. The tender process is guided by the principles contained in the Preferential Procurement Policy Framework Act, 2000 and Regulations thereunder.

### Systems of Procurement, Financial and Risk Management

The Board also maintains effective, efficient and transparent systems of financial and risk management as well as an appropriate procurement system, which is fair, equitable, transparent, competitive and cost-effective.