

REMGRO LIMITED

APPLICATION OF KING III PRINCIPLES 2013

This index has been prepared to illustrate the application of the principles contained in the King Code of Governance for South Africa 2009 ("King III") by the Remgro Limited (Remgro). Reference to the index is made in the Corporate Governance Report in the 2013 Integrated Annual Report of Remgro.

Key to self-assessed application status and references:









- - Applied
- - Partly applied
- - Not applied

IAR - Integrated Annual Report of Remgro for the financial year ended 30 June 2013 published on the Company's website at www.remgro.com

KING III PRINCIPLE	SELF-ASSESSED APPLICATION STATUS	REFERENCE (to the IAR, unless otherwise stated)	ADDITIONAL COMMENTS
1. Ethical leadership and corporate citizenship			
1.1 The board should provide effective leadership based on an ethical foundation.	●	8 56 72 74	Remgro is committed to the highest level of corporate governance, integrity and ethics. In this regard the guidelines such as honesty, correctness, courtesy, service, mutual support and trust are thoroughly integrated in the Company's way of doing business. These principles are actively endorsed by the Board and senior management who aim to instil a culture of compliance and good governance throughout the Remgro Group. Leadership based on ethical foundations results in a culture of ethical and moral behaviour and compliance with laws, rules, codes and standards. Remgro's commitment to doing business ethically is one of its key objectives and is supported by its Code of Ethics.
1.2 The board should ensure that the company is and is seen to be a responsible corporate citizen.	●	70-94	A Social and Ethics Committee was established in 2012 to assist the Board in ensuring that Remgro is and remains a good and responsible corporate citizen by monitoring the sustainable development performance of the Group, as outlined in the Social and Ethics Committee Report and the Sustainable Development Report published in the integrated annual report.
1.3 The board should ensure that the company's ethics are managed effectively.	●	74	Doing business ethically is one of Remgro's key objectives, and is supported by its Code of Ethics. The Company has implemented a mechanism to employees and third parties to report any perceived and alleged irregular or unethical behaviour in a confidential and controlled environment. Reports are monitored and managed with regular feedback to the Audit and Risk Committee.
2. Boards and directors			
2.1 The board should act as the focal point for and custodian of corporate governance.	●	56-63	The Board advocates adherence to sound governance principles by all entities Remgro is invested in by using its significant influence to ensure that all Remgro's listed subsidiaries and associated companies endorse the principles contained in King III. A formal Board Charter sets out the power and responsibilities of the Board. The Board is fully functional and leads and controls the Group and all issues of a material or strategic nature, or which can impact the reputation of the Group, is referred to the Board. The Board annually reviews the application status of the King III principles.
2.2 The board should appreciate that strategy, risk, performance and sustainability are inseparable.	●	20-27 56-94	Remgro's key objectives as reported in the integrated annual report reflect the Board's awareness that strategy, risk, performance, governance and sustainability go hand in hand. This is evident throughout the integrated annual report, specifically the Chairman's Report, the Chief Executive Officer's Report, Corporate Governance Report, Risk Management Report and the Sustainable Development Report.
2.3 The board should provide effective leadership based on an ethical foundation.	●		(same as 1.1 above)
2.4 The board should ensure that the company is and is seen to be a responsible corporate citizen.	●		(same as 1.2 above)















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2.5 The board should ensure that the company's ethics are managed effectively.	●		(same as 1.3 above)
2.6 The board should ensure that the company has an effective and independent audit committee.	●	60 64-69 108-109	The responsibilities of the Audit and Risk Committee are codified in a mandate by the Board, which is reviewed at least annually. As part of the annual evaluation process, the committee performs a self-assessment with feedback to the Board. A report by the committee describing how it has discharged its duties is included in the annual financial statements.
2.7 The board should be responsible for the governance of risk.	●	64-69 108-109	The Board is ultimately accountable for the Group's risk management process and system of internal control. In terms of a mandate by the Board, the Audit and Risk Committee monitors the risk management process and systems of internal control of the Group. The Audit and Risk Committee provides feedback to the Board on the effectiveness of the group's risk management processes, at least annually. See also 4.1 – 4.10 below.
2.8 The board should be responsible for information technology (IT) governance.	●	68	The Remgro Board and executive management are well informed about the role of IT and its impact on the business, taking into account the limited technology needs of an investment holding company. The Risk and IT Governance Committee (which is a subcommittee of the Audit and Risk Committee) considers the IT risk register on a regular basis, while the progress on IT- and control-related projects are monitored by the Audit and Risk Committee itself. The Board is satisfied that IT is properly managed and that it is aligned with the objectives of the Group's business. See also 5.1 – 5.7 below.
2.9 The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	●	56-57 64-69 70-71	Compliance with laws, rules, regulations and relevant codes is integral to the company's risk management process. The Audit and Risk Committee is responsible to, inter alia, ensure that an appropriate compliance framework is in place, that non-compliance is reported and to review significant compliance risk matters. The Social and Ethics Committee has also been mandated to monitor the effectiveness of compliance management in the Group. The Board has approved a Legal Compliance Policy and confirmed that there are sufficient management capacity and controls in place to ensure that all relevant laws and industry practices are complied with. The administration of the Legal Compliance System is vested in a member of senior management with the appropriate legal qualifications, supported by a designated legal firm that is mandated to furnish the Company with all relevant new legislation and amendments. See also 6.1 – 6.4 below.
2.10 The board should ensure that there is an effective risk-based internal audit.	●	64-69 108-109	Internal audit forms an integral part of Remgro's risk management process to provide assurance on the effectiveness of internal financial control, the effectiveness of internal control over operational and compliance activities, the adequacy of governance systems, etc. The Audit and Risk Committee is satisfied with the independence, quality and scope of the internal audit process. Details of the internal audit process are included in the Risk Management Report and the Audit and Risk Committee Report. See also 7.1 – 7.5 below.
2.11 The board should appreciate that stakeholders' perceptions affect the company's reputation.	●	8 58 74-76	One of Remgro's key objectives of doing business ethically is based on the guidelines of honesty, correctness, courtesy, service, mutual support and trust. In terms of the Company's Board Charter, the Board is, inter alia, responsible for the handling of all aspects that may impact on the Group's reputation. Effective communication with our shareholders and other stakeholders is fundamental in maintaining our corporate reputation as an investment partner of choice. We strive to achieve this objective using a wide variety of communication vehicles, as reported in the Sustainable Development Report. Remgro has also adopted a formal Stakeholder Policy which sets out the approach and strategy with respect to stakeholder engagements, thereby ensuring that a stakeholder-inclusive approach to corporate governance is followed. See also 1.1 and 1.2 above.










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2.12 The board should ensure the integrity of the company's integrated report.	●	7 71 73 108-109	Sufficient controls are in place to ensure relevant, reliable and accurate reporting. The Social and Ethics Committee is responsible to review and recommend for approval the annual sustainability content included in the integrated annual report or published on the Company's website. The Audit and Risk Committee reviews the entire integrated annual report and makes a recommendation to the Board. Also refer to the external audit and various assurance processes, as reported in the integrated annual report. See also 3.4 and 9.3 below.
2.13 The board should report on the effectiveness of the company's system of internal controls.	●	64-69 108-109	Reporting on the effectiveness of the Company's internal controls is included in the Risk Management Report and the Audit and Risk Committee Report. The Audit and Risk Committee has, inter alia, considered the reports from the internal and external auditors and satisfied itself about the adequacy and effectiveness of the Group's systems of internal control.
2.14 The board and its directors should act in the best interests of the company.	●	56-63	To ensure that the individual directors exercise their powers and perform their functions in good faith and for a proper purpose, in the best interest of the company and with care, skill and diligence, the best practice principles as contained within King III are referred to and applied. Board members are also required to disclose any potential conflict of interest as and when required. The Board is evaluated annually by its members.
2.15 The board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed as defined in the Act.	●	63	The Board has formulated and approved an internal business rescue policy. Given the nature of Remgro as an investment holding company, the actual consideration of Business Rescue Proceedings will be part of the legal compliance policy approved by the Board. Business Rescue Proceedings at investee companies are the responsibility of the boards of these entities as required by the Companies Act. Remgro has, as part of its risk management framework, processes in place to timeously identify and address underperforming investments.
2.16 The board should elect a chairman of the board who is an independent non-executive director. The CEO of the company should not also fulfill the role of chairman of the board.	●	56 59	The Chairman of the Board, Mr Johann Rupert, is not an independent non-executive director, but given his knowledge of the business and his commercial experience, the Board deems this arrangement not only as appropriate but also essential for achieving the business objectives of Remgro. As a result Mr GT Ferreira fulfils the role of Lead Independent Director (LID), as recommended in King III and required in terms of the JSE Listings Requirements. The Chairman of the board also acts as ex officio chairman of the Remuneration and Nomination Committee. Although he is not independent, the Board is supportive of his chairmanship given the necessity to align the Company's remuneration approach with corporate strategy. The roles and responsibilities of the Chairman and the Chief Executive Officer are separated.
2.17 The board should appoint the chief executive officer and establish a framework for the delegation of authority.	●	58-59	In terms of Remgro's Board Charter, the Chairman, Deputy Chairman, the Chief Executive Officer (CEO) and the Chief Financial officer (CFO) are all elected and/or appointed on an annual basis. Remgro has a fully functional Board that leads and controls the Group. All issues of a material or strategic nature, or which can impact on the reputation of the Group, are referred to the Board. Other issues are dealt with by the Management Board and/or the Investment Committee, or by senior management as permitted in terms of a formal delegation of authority.
2.18 The board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent.	●	58-59	The composition of the Board reflects a balance between executive and non-executive directors, of whom the majority are independent in order to ensure that there is a clear division of responsibilities so that no one individual has unfettered decision-making powers. As at 30 June 2013 the majority of the directors were also non-executive, as required by King III.
2.19 Directors should be appointed through a formal process.	●	60 95	There is a formal and transparent process for appointments to the Board. The appointment of directors is a function of the entire Board, based on recommendations made by the Remuneration and Nominations Committee.

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2.20 The induction of and ongoing training and development of directors should be conducted through formal processes.		59	Newly appointed directors follow an extensive induction programme coordinated by the Company Secretary upon their appointment. The induction programme includes the provision of an induction pack consisting of, inter alia, agendas and minutes of the two most recent Board and subcommittee meetings, latest annual financial statements and integrated report, the Company's code of conduct, etc., induction meetings with executive directors and senior management if requested, as well as information on the JSE Listings Requirements. This process ensures that new directors obtain a good understanding of the Company's core business and their fiduciary duties.
2.21 The board should be assisted by a competent, suitably qualified and experienced company secretary.		18 59	The Company Secretary is subject to an annual evaluation by the Board. During the evaluation conducted in July 2013, the Board has considered and is satisfied that the Company Secretary is competent and has the requisite experience to effectively execute her duties.
2.22 The evaluation of the board, its committees and the individual directors should be performed every year.		56-57 59-62	Annual evaluations of the board, subcommittees and the independence of the independent non-executive directors, are conducted with feedback to the board. Directors are however not evaluated individually. Furthermore, the Board has decided not to disclose the overview of the appraisal process, results and action plans in the integrated annual report due to the potential sensitive nature thereof.
2.23 The board should delegate certain functions to well-structured committees but without abdicating its own responsibilities.		56-57 59-62	Specific responsibilities are delegated to the Board's sub-committees, which have defined tasks in terms of approved mandates. Feedback on the committees' activities is submitted to the Board at each meeting. The Board annually conducts an objective evaluation in respect of the Board's performance regarding its role and functioning, which includes an evaluation of the functioning of the Board committees. In terms of King III the integrated report should disclose the terms of reference of the Board committees; however, only a summary of the terms are disclosed in the integrated report. The complete terms of reference of Board committees are available on the Company's website, at www.remgro.com .
2.24 A governance framework should be agreed between the group and its subsidiary boards.		58 63	In terms of Remgro's Board Charter, one of the key responsibilities of directors and members of senior management serving in a non-executive capacity on the boards of its subsidiaries is the promotion of good governance by the respective subsidiaries, including the adoption and implementation of Remgro's policies, processes and procedures. The activities of these directors and senior management serving on the boards of investee companies are furthermore governed by formal guidelines as approved by the Remgro Board. The Company Secretary also provides continuous guidance on corporate governance-related matters to the operational subsidiaries.
2.25 Companies should remunerate directors and executives fairly and responsibly.		56-57 95-103	Remgro's Remuneration and Nominations Committee is responsible for, inter alia, the establishment of a remuneration policy, overseeing the setting and administering of the remuneration of all directors, Management Board members and other employees, as well as the compensation of non-executive directors, which is ultimately approved by the shareholders. The remuneration policy is aligned with the Company's approach of rewarding directors and senior executives fairly and competitively, according to their capabilities, skills, responsibilities and level of performance. The Remuneration Report provides an overview and understanding of Remgro's remuneration principles, policy and practices with specific reference to executive and non-executive directors and members of the Management Board. The Board has decided that independent non-executive directors should not be remunerated by means of a base fee and attendance fee in respect of their Board and committee obligations, as required by King III. The fee paid to non-executive directors is thus a fixed annual fee. This was decided as many directors add significant value to the Group outside of the formal Board and Committee meetings, sometimes greater than they might do within the confines of a formal meeting.
2.26 Companies should disclose the remuneration of each individual director and certain senior executives.		95-103 153-156	The remuneration of directors and prescribed officers are disclosed in the Remuneration Report and the annual financial statements.
2.27 Shareholders should approve the company's remuneration policy.		56-57 60 96	Remgro's remuneration policy is set out in the Remuneration Report. It was decided by the Board not to ask shareholders for their non-binding approval of the remuneration policy. The rationale and basis of the Group's executive remuneration policy is carefully considered by the Remuneration and Nomination Committee and is fully disclosed in the integrated annual report.

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3. Audit committees			
3.1 The board should ensure that the company has an effective and independent audit committee.	●		(same as 2.6 above)
3.2 Audit committee members should be suitably skilled and experienced independent non-executive directors.	●	59-62 108-109	The composition of the Audit and Risk Committee is reviewed annually. The Board believes that the current members of the committee are suitably skilled and experienced.
3.3 The audit committee should be chaired by an independent non-executive director.	●	60 62 108-109	All members of the Audit and Risk Committee are independent non-executive directors.
3.4 The audit committee should oversee integrated reporting.	●	60 108-109	<p>The Audit and Risk Committee is responsible for considering and making recommendations to the Board relating to the Group's integrated annual report, the financial statements and any other intended releases of price sensitive information for external distribution or publication, including those required by any regulatory or statutory authority.</p> <p>In terms of King III a company should, due to the volume and complexity of information conveyed in the integrated report, prepare a summarised integrated report in addition to the complete integrated report. Remgro does not prepare a summarised version of the integrated report, as its complexity is not such that a summary would benefit the readers thereof in any significant manner. A summary of the report would, to a large extent, simply amount to an unnecessary duplication of information.</p>
3.5 The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.	●	64-69 73 108-109	The Audit and Risk Committee is responsible to ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities. Remgro has implemented an Enterprise-wide Risk Management system that forms part of the overall combined assurance plan.
3.6 The audit committee should satisfy itself of the expertise, resources and experience of the company's finance function.	●	109	The Audit and Risk Committee annually performs a review of the Company's Chief Financial Officer and finance function. Based on the review conducted in June 2013, the committee has satisfied itself of the appropriateness of the expertise, resources and experience of the Chief Financial Officer and the finance function.
3.7 The audit committee should be responsible for overseeing of internal audit.	●	69 108-109	See 2.10 above and 7.1 – 7.5 below.
3.8 The audit committee should be an integral component of the risk management process.	●	60 64-69 108-109	<p>The Audit and Risk Committee (the committee) is integral in the implementation of the Enterprise-wide Risk Management Policy by monitoring the risk management processes and systems of internal control for Remgro and its wholly owned subsidiaries, excluding TSB. In this regard the committee is supported by its subcommittee, the Risk and IT Governance Committee. The committee evaluates reports on the effectiveness of the systems of internal financial controls conducted by the internal audit function, considered information provided by management and held discussions with the external auditor on the results of their audit. Further details on the Remgro's risk management function are contained in the Risk Management Report.</p> <p>The committee is satisfied that the system, as well as the process of risk management, is effective.</p>
3.9 The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process.	●	108	The Committee has during the period under review nominated independent external auditors, PricewaterhouseCoopers Inc., approved its fee and determined its terms of engagement. The appointment is presented to the shareholders of the Company at the annual general meeting for approval. The Committee is satisfied that the Company's external auditors are independent of the Company and are thereby able to conduct their audit functions without any influence from the Company.
3.10 The audit committee should report to the board and shareholders on how it has discharged its duties.	●	108-109	The Audit and Risk Committee provide feedback to the Board at each Board meeting. Reporting to shareholders is given through the Audit and Risk Committee Report included in the integrated annual report.
4. The governance of risk			
4.1 The board should be responsible for the governance of risk.	●		(same as 2.7 above)
4.2 The board should determine the levels of risk tolerance.	●	67	The Remgro board formalises and approves the risk appetite, risk bearing capacity and risk tolerance levels on an annual basis.

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4.3 The risk committee or audit committee should assist the board in carrying out its risk responsibilities.	●		See 2.7 above.
4.4 The board should delegate to management the responsibility to design, implement and monitor the risk management plan.	●	64-69	<p>The risk management process in Remgro comprises the arrangement of resources to ensure the achievement of strategy and business plans, including the exploitation of available opportunities that meet the risk appetite criteria set by the Board. Risk profiles inherent to existing activities and investments are furthermore maintained within the approved risk tolerance levels, thereby optimising the risk return parameters for the creation of sustainable growth and value for shareholders and other stakeholders.</p> <p>Remgro is an investment holding company and as such the risk management process also takes cognisance of risks and opportunities inherent to its investment portfolio.</p>
4.5 The board should ensure that risk assessments are performed on a continual basis.	●	64-69 108-109	<p>Regular risk-assessments are conducted by management and recorded in departmental risk registers for Remgro and its wholly owned subsidiaries administered by Remgro Management Services Limited, as well as V&R Management Services AG (a wholly owned offshore subsidiary that renders bookkeeping and treasury services for Remgro's foreign subsidiaries). Identified risks are analysed by considering the potential causes and effects of the risk events in order to form a basis for determining how they should be managed.</p> <p>The Audit and Risk Committee has assigned oversight of the risk management function to its subcommittee, the Risk and IT Governance Committee. The Audit and Risk Committee is satisfied that the system, as well as the process of risk management is effective.</p>
4.6 The board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks.	●	64-69	<p>The Group's risk management process aims to establish an integrated and effective risk management framework where important risks are identified, quantified and managed in order to achieve an optimal risk/reward profile. An integrated approach ensures that risk management is incorporated into the day-to-day operational management processes and therefore allows management to focus on core activities.</p> <p>Remgro is an investment holding company and as such the risk management process takes cognisance of risks and opportunities within the Company as well as the risks and opportunities inherent to its investment portfolio.</p>
4.7 The board should ensure that management considers and implements appropriate risk responses.	●	64-69	Priority risk items are identified and reported to the Board through the Audit and Risk Committee, with measure taken to mitigate the risks.
4.8 The board should ensure continual risk monitoring by management.	●		See 4.5 above.
4.9 The board should receive assurance regarding the effectiveness of the risk management process.	●	64-69 108-109	Internal audit provides an annual written assessment on the effectiveness of the group's internal controls and risk management process. The Audit and Risk Committee is satisfied that the system, as well as the process of risk management is effective.
4.10 The board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.	●	64-69 108-109	An annual Risk Management Report is included in the Integrated Annual Report. The Audit and Risk Committee also includes a report in the annual financial statement describing how the committee discharged its duties relating to, inter alia, risk management.
5. The governance of information technology			
5.1 The board should be responsible for information technology (IT) governance.	●		(same as 2.8 above)
5.2 IT should be aligned with the performance and sustainability objectives of the company.	●	68	The Remgro Board and executive management are well informed about the role of IT and its impact on the business, taking into account the limited technology needs of an investment holding company. The Board is satisfied that IT is properly managed and that it is aligned with the objectives of the Group's business.

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5.3 The board should delegate to management the responsibility for the implementation of an IT governance framework.		68	Remgro has an IT Governance policy that is supplemented by governance based policies such as the Acceptable IT Use policy and information confidentiality policy. IT related matters are addressed by an IT Steering Committee, comprising the head of IT and four other members of senior management. This committee also reports to the Risk and IT Governance Committee on the progress regarding IT related projects. The IT Steering Committee is also responsible for monitoring adherence to the IT Governance Policy.
5.4 The board should monitor and evaluate significant IT investments and expenditure.		68	The Risk and IT Governance Committee (which is a subcommittee of the Audit and Risk Committee) considers and monitors the progress on IT-related projects.
5.5 IT should form an integral part of the company's risk management.		68	IT risk management is fully integrated and included in the Company's combined assurance process. A business continuity plan has been formalised and tests performed on the back-up and disaster recovery processes.
5.6 The board should ensure that information assets are managed effectively.			Information security policies are in place throughout the Company regulating, inter alia, the processing and protection of own and third party information. See also 5.3 above.
5.7 A risk committee and audit committee should assist the board in carrying out its IT responsibilities.		68 108-109	IT risk management is fully integrated in the Company's risk management process. Detailed feedback on the Group's IT risks is provided to the Risk and IT Governance Committee and the Audit and Risk Committee.
6. Compliance with laws, rules, codes and standards			
6.1 The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.			(same as 2.9 above)
6.2 The board and each individual director should have a working understanding of the effect of the applicable laws, rules, codes and standards on the company and its business.		59	The Company Secretary is responsible for providing guidance to the Board collectively and to the directors individually with regards to their duties, responsibilities and powers; making them aware of legislation and regulations relevant to the Company; and providing Board orientation or training when appropriate. Legal compliance is a standing agenda item for Board meetings. The Company Secretary is also responsible to ensure the proper administration of the proceedings and matters relating to the Board, the Company and the shareholders of the Company in accordance with applicable legislation and procedures. Feedback on the Group's legal and regulatory risks is provided to the Audit and Risk Committee on a regular basis.
6.3 Compliance risk should form an integral part of the company's risk management process.			See 2.9 above.
6.4 The board should delegate to management the implementation of an effective compliance framework and processes.			See 2.9 above.
7. Internal audit			
7.1 The board should ensure that there is an effective risk based internal audit.			(same as 2.10 above)
7.2 Internal audit should follow a risk based approach to its plan.		64-69 108-109	Internal audit forms an integral part of Remgro's Enterprise-wide Risk Management System to provide assurance on the effectiveness of the Company's risk management process and system of internal control.
7.3 Internal audit should provide a written assessment of the effectiveness of the company's system of internal controls and risk management.		64-69 108-109	The internal auditor provides a written assessment annually to the Audit and Risk Committee on the effectiveness of the Group's system of internal controls and risk management. The committee is satisfied with the independence, quality and scope of the internal audit process.
7.4 The audit committee should be responsible for overseeing internal audit.			(same as 3.7 above)
7.5 Internal audit should be strategically positioned to achieve its objectives.		64-69	The internal audit function is independent from management with access to the Audit and Risk Committee and senior management.
8. Governing stakeholder relationships			

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8.1 The board should appreciate that stakeholders' perceptions affect a company's reputation.			(same as 2.11 above)
8.2 The board should delegate to management to proactively deal with stakeholder relationships.		74-76	Effective communication with our shareholders and other stakeholders is fundamental in maintaining our reputation as an investment partner of choice. We strive to achieve this objective using a wide variety of communication methods, as reported in the Sustainable Development Report.
8.3 The board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the company.		74-76	Remgro's main stakeholders are its shareholders and the investment community, its employees, its investee companies and the other shareholders of such investee companies, the community in which it operates, its suppliers and service providers and the South African Government and regulatory bodies. The expectations of such stakeholders are taken into account in determining the areas reported on throughout the Sustainable Development Report. Refer also to 2.11 and 8.2 above.
8.4 Companies should ensure the equitable treatment of shareholders.		74-76	Remgro's primary objective is to maximise value creation and sustainable growth and in this regard particular care is taken to ensure that all shareholders, or classes of shareholders, are treated equitably. Special care is taken to protect minority shareholders from actions by or in the interest of the principal shareholder that may be to their detriment. In this regard Remgro has appointed a Lead Independent Director to act as chairman during meetings in situations when the independence of the existing Chairman may be questionable or compromised. Communication to our shareholders and the public is based on the principles of timely, balanced, clear and transparent information. In this regard the investment community has access to the same information as Remgro shareholders. Firm protocols are in place to control the nature, extent and frequency of communication with investors. Shareholders and the investment community are encouraged to attend Remgro's general meetings where topical matters are discussed openly. Further interactions with institutional investors take place twice a year at the dial-in interim and final results presentations, where questions can be directed to the CEO and CFO. The investment community is also welcome to contact senior management directly.
8.5 Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.		74-76	See 8.1 – 8.3 above. Our engagement with stakeholders is conducted in a transparent, balanced and truthful manner.
8.6 The board should ensure that disputes are resolved as effectively, efficiently and expeditiously as possible.		57	The Remgro Board has not instituted a formal dispute resolution process as it believes that the existing processes within the Group operate satisfactorily and do not require a more formal and separate mechanism. In addition, shareholders do have remedies in terms of the Companies act.
9. Integrated reporting and disclosure			
9.1 The board should ensure the integrity of the company's integrated report.			(same as 2.12 above)
9.2 Sustainability reporting and disclosure should be integrated with the company's financial reporting.		2 20-55 107	The salient features included in the integrated annual report, report on both financial and non-financial performance indicators. Sufficient commentary on the financial performance is provided in the Chairman's Report, Chief Executive Officer's Report, Chief Financial Officer's Report and Investment Reviews included in the integrated annual report. The going concern status is also confirmed in the annual financial statements, while the Sustainable Development Report (SDR) provides an understanding of Remgro's efforts on the social and environmental front. The content of the SDR is based on the principles and recommendations regarding integrated sustainability reporting of, inter alia, the Sustainability Reporting Guidelines developed by the GRI.
9.3 Sustainability reporting and disclosure should be independently assured.		7 57 73 115	The Board accepts its accountability to the Group's stakeholders to present information that is relevant, accurate and reliable. A combined assurance model is followed, with assurance between management, internal audit and various external assurance initiatives, as further detailed in the Sustainable Development Report.