

King IV Principles

In terms of the introduction of King IV and recent communication from the JSE, all companies listed on the JSE will with effect from September 2017 be required to comply with King IV. The Board will endeavour to comply with the 17 Principles set out in King IV where, in the view of the Board, they apply to the business. The Principles embody the aspirations of the journey towards good corporate governance.

The 17 King IV Principles and the extent of the company's compliance are set out in the table below:

Principle	Description	Compliance status	Extent of compliance
1	The governing body should lead ethically and effectively	Comply	The Board has established a code of ethics for the group, which is reviewed annually, and conducts itself in accordance with that code. The Board members themselves seek to adhere to the highest standards of ethical conduct.
2	The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	Comply	The Board supports the establishment of an ethical culture throughout the Group. This is one of the essential elements of the Group's code of ethics. The Company publishes numerous media products. In so doing, it adheres to all applicable industry codes and the highest standards of ethical journalism.
3	The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	Comply	The Board considers the Company to be a responsible corporate citizen and details in this regard are set out in the Sustainability Report. The publishing business of the Company places it in a special position vis-a-vis the public- the Company is required to ensure that it reports fairly and factually and maintains the trust of readers and advertisers alike. In providing balanced news and entertainment coverage to its audiences, and in maintaining and upholding the principles of independence between management and editorial, the Company is and is seen to be a responsible corporate citizen.
4	The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.	Comply	The Board is fully aware and unreservedly appreciates all the elements of the value creation process. This can be seen in the Group's sustained financial performance over an extended period.

Principle	Description	Compliance status	Extent of compliance
5	The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short, medium and long-term prospects.	Comply	All reports issued by the company contain sufficient information to enable stakeholders to make informed assessments of the Company's performance and its short, medium and long-term prospects. This approach will apply to all future reports disseminated by the Company.
6	The governing body should serve as the focal point and custodian of corporate governance in the organisation.	Comply	The Board has adopted policies throughout the Group which ensure that the Company's corporate governance procedures are consistently adequate.
7	The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively	Comply	All members of the Board have the requisite skills and knowledge from diverse backgrounds. The Board has three executive directors and five independent non-executive directors.
8	The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with the balance of power and the effective discharge of its duties.	Comply	The independent directors have been appointed to ensure that a greater level of independence is maintained in all business matters of the Board. In addition, the roles of the CEO and Chairman are separated to ensure a balance of power and effective discharge of duties.
9	The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, supports continued improvement in its performance and effectiveness.	Comply	The Board has appointed Committees of the Board where appropriate. Each committee has its own charter which sets out rules for the Committee and its members and allows for members to be assessed annually.

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10	The governing body should ensure that the appointment of, and delegation to, management contributes to role clarity and the effective exercise of authority and responsibilities.	Comply	Service agreements apply to all Executive directors. The management of the Company understand their individual roles and responsibilities and the effective exercise of authority is monitored and implemented in accordance with well-defined reporting structures.
11	The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	Comply	The Audit and Risk Committee has undertaken to ensure that all risks pertaining to the business of the Company are continually assessed in a way that supports the Company in setting and achieving its strategic objectives.
12	The governing body should govern technology and information in a way that supports the organisation in determining and achieving its strategic objectives.	Comply	The Company has an extensive IT and management information system and function. As a media organization, the Company has invested continually in robust and failsafe IT systems, data security and financial systems, with full redundancy and backup. These aspects are enablers of the Company's strategies.
13	The governing body should govern in compliance with applicable laws and adopt the necessary rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.	Comply	<p>The Company is governed by the Companies Act, 2008 and the JSE Listings Requirements as a listed entity.</p> <p>The Board and its sub committees undertake to comply with any legislation that the company is required to comply with from time to time.</p> <p>The Company subscribes to industry codes and all relevant legislation in regard to its businesses.</p>

Principle	Description	Compliance status	Extent of compliance
14	The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	Comply	<p>The Company has a remuneration policy in place to ensure that its employees are appropriately remunerated.</p> <p>The policy will be tabled for shareholder approval by way of a non-binding resolution at annual general meetings of the Company to ensure further transparency.</p> <p>The Board will also assess market trends in remuneration to ensure alignment with the marketplace.</p> <p>The remuneration of directors is disclosed in the Annual Report.</p>
15	The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.	Comply	The company has in place internal management and audit functions which provide effective and timely assurance on the integrity of internal and external information.
16	In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	Comply	The Company has a website where all financial reports, business updates and any other information is made available to ensure that stakeholders are kept abreast with the Company's developments.
17	The governing body of an institutional investor organisation should ensure that responsible investment is practised by the organisation to promote good governance and the creation of value by the companies in which it invests.	N/A	The Company does not operate as an institutional investor but focuses on its investments in the group in order to maximise shareholder value.