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Conduit Capital Limited

Registration Number: 1998/017351/06

Principle 15	<p><b>Commentary:</b> The Company has established an internal audit function, which evaluates the Company's governance processes, performs an objective assessment of the effectiveness of risk management and the internal control framework. The internal audit function reports functionally to the Audit Committee. The Audit Committee oversees cooperation between external and internal audit to avoid overlapping of audit scope.</p>		
	<p>The governing body should approve an internal audit charter that defines the role and associated responsibilities and authority of internal audit, including addressing its role within combined assurance and the internal audit standards to be adopted.</p>	K IV™ P15 Prac 49	Satisfactorily Applied
	<p><b>Commentary:</b> The Audit Committee has reviewed and approved the Internal Audit Charter that defines the roles and responsibility. The Committee ensures that the internal audit function is adequately and appropriately resourced and has the appropriate authority.</p>		
	<p>The governing body should ensure that the arrangements for internal audit provide for the necessary skills and resources to address the complexity and volume of risk faced by the organisation, and that internal audit is supplemented as required by specialist services such as those provided by forensic fraud examiners and auditors, safety and process assessors, and statutory actuaries.</p>	K IV™ P15 Prac 50	Satisfactorily Applied
	<p><b>Commentary:</b> The internal audit function has the necessary skill and resource complement appropriate for the complexity and volume of risk and assurance needs.</p>		
	<p>If a chief audit executive (CAE) position is provided for in the arrangements for internal audit, the governing body should ensure that the position is set up to function independently from management who designs and implements the controls that are in place, and that the position carries the necessary authority.</p>	K IV™ P15 Prac 51	Satisfactorily Applied
<p><b>Commentary:</b> The internal audit function is independent and objective and the chief audit executive develops and maintains a quality assurance and improvement programme.</p>			
<p>The governing body should approve the appointment of the CAE, including the employment contract and remuneration of the CAE, and ensure that the person who fills the position has the necessary competence, gravitas and objectivity.</p>	K IV™ P15 Prac 52	Satisfactorily Applied	

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Conduit Capital Limited

Registration Number: 1998/017351/06

Principle 15	<b>Commentary:</b> The appointment of the chief audit executive is subject to review and approval by the Audit Committee.		
	For reasons of independence, the CAE should have access to the chair of the audit committee.	K IV™ P15 Prac 53	Satisfactorily Applied
	<b>Commentary:</b> The chief audit executive has unrestricted access to the Chairman of the Audit Committee.		
	For reasons of independence, the CAE should not be a member of executive management, but should be invited to attend executive meetings, as necessary, to be informed about strategy and policy decisions and their implementation.	K IV™ P15 Prac 54	Satisfactorily Applied
	<b>Commentary:</b> The chief audit executive has a standing invitation to attend Audit Committee meetings.		
	Where internal audit services are co-sourced or outsourced, the governing body should ensure that there is clarity on who fulfils the role of CAE.	K IV™ P15 Prac 55	Satisfactorily Applied
	<b>Commentary:</b> The Audit Committee is charged with the policy for appointment of assurance providers. In the event where there is more than one service provider, the Committee ensures that there is appropriate coordination of activities.		
	The CAE should report to the chair of the audit committee on the performance of duties and functions that relate to internal audit. On other duties and administrative matters, the CAE should report to the member of executive management designated for this purpose as appropriate for the organisation.	K IV™ P15 Prac 56	Satisfactorily Applied
<b>Commentary:</b> The chief audit executive reports to the Chairman of the Audit Committee on matters relating to the performance of duties and functions that relates to internal audit. The Chief Financial Officer is responsible for ensuring that other duties and administrative matters pertaining to internal audit are discharged.			
The governing body should have primary responsibility for the removal of the CAE	K IV™ P15 Prac 57	Satisfactorily Applied	
<b>Commentary:</b> The appointment or removal of the chief audit executive is subject to review and approval by the Audit Committee.			

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Conduit Capital Limited

Registration Number: 1998/017351/06

Principle 15	<p>The governing body should monitor on an ongoing basis that internal audit: a. Follows an approved risk-based internal audit plan; and</p> <p><b>Commentary:</b> The internal audit plan and approach is informed by the strategy and the risks of the Company. The Audit Committee responsible for the review and approval of the internal audit plan and approach.</p>	K IV™ P15 Prac 58.a	Satisfactorily Applied
	<p>The governing body should monitor on an ongoing basis that internal audit: b. Reviews the organisational risk profile regularly, and proposes adaptations to the internal audit plan accordingly.</p> <p><b>Commentary:</b> The risk registers are reviewed on a quarterly basis by the Risk Committee. The review is done in conjunction with the Audit Committee to ensure that, where there is significant change in the risk profile, the assurance plan is accordingly adapted to ensure the required assurance is provided on the control environment relating to the risk exposure areas.</p>	K IV™ P15 Prac 58.b	Satisfactorily Applied
	<p>The governing body should ensure that internal audit provides an overall statement annually as to the effectiveness of the organisation's governance, risk management and control processes.</p> <p><b>Commentary:</b> Internal audit provides a written assessment of the system of internal controls and risk management to the Board.</p>	K IV™ P15 Prac 59	Satisfactorily Applied
	<p>The governing body should ensure that an external, independent quality review of the internal audit function is conducted at least once every five years.</p> <p><b>Commentary:</b> The Audit Committee ensures that the internal audit function is subjected to an independent quality review as and when it determines it appropriate.</p>	K IV™ P15 Prac 60	Satisfactorily Applied
	<p>The governing body should obtain confirmation annually from the CAE that internal audit conforms to a recognised industry code of ethics</p> <p><b>Commentary:</b> As part of the annual assessment of the effectiveness of the internal audit function, the Audit Committee is provided assurance that the function conforms to the Group Code of Ethics and industry best practice.</p>	K IV™ P15 Prac 61	Satisfactorily Applied

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Conduit Capital Limited

Registration Number: 1998/017351/06

Principle 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.		
	The governing body should assume responsibility for the governance of stakeholder relationships by setting the direction for how stakeholder relationships should be approached and conducted in the organisation.	K IV™ P16 Prac 1	Satisfactorily Applied
	<b>Commentary:</b> The Board delegates responsibility for the governance of sustainability to its Social and Ethics Committee. The Committee is tasked with overseeing that the Group is seen to be a responsible corporate citizen, ensuring that the Group attains its goals relating to the management of safety, health and the environment, as well as social, transformation and ethics issues across the Group. Its responsibilities include developing sustainable development policies and guidelines to manage these focus areas, monitoring performance against key indicators, and facilitating stakeholder participation, cooperation and consultation on key issues. A stakeholder management policy is in place, providing clear direction for how stakeholder relationships should be approached and conducted in the organisation.		
	The governing body should approve policy that articulates and gives effect to its direction on stakeholder relationships.	K IV™ P16 Prac 2	Satisfactorily Applied
	<b>Commentary:</b> The Board, through the Social and Ethics Committee, reviews and approves policy pertaining to stakeholder engagement.		
	The governing body should delegate to management the responsibility for implementation and execution of effective stakeholder relationship management.	K IV™ P16 Prac 3	Satisfactorily Applied
	<b>Commentary:</b> The board has delegated to executive management the development of the strategy, implementation and execution of stakeholder relationship management. This is detailed in the Sustainability Report of the integrated annual report.		
	The governing body should exercise ongoing oversight of stakeholder management and in particular, oversee that it results in the following: a. Methodologies for identifying individual stakeholders and stakeholder groupings.	K IV™ P16 Prac 4.a	Satisfactorily Applied

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Registration Number: 1998/017351/06

Principle 16	<b>Commentary:</b> The Board, through the Social and Ethics Committee, has in place a stakeholder engagement strategy and framework for the identification of individual stakeholders and stakeholder groups.		
	The governing body should exercise ongoing oversight of stakeholder management and in particular, oversee that it results in the following: b. Determination of material stakeholders based on the extent to which they affect, or are affected by, the activities, outputs and outcomes of the organisation.	K IV™ P16 Prac 4.b	Satisfactorily Applied
	<b>Commentary:</b> Stakeholders which could materially affect the operations of the company are identified by the Board and are assessed and dealt with as part of the risk management process.		
	The governing body should exercise ongoing oversight of stakeholder management and in particular, oversee that it results in the following: c. Management of stakeholder risk as an integral part of organisation-wide risk management.	K IV™ P16 Prac 4.c	Satisfactorily Applied
	<b>Commentary:</b> Stakeholder engagement is delegated to management and where appropriate, escalated to the Board		
	The governing body should exercise ongoing oversight of stakeholder management and in particular, oversee that it results in the following: d. Formal mechanisms for engagement and communication with stakeholders, including the use of dispute resolution mechanisms and associated processes.	K IV™ P16 Prac 4.d	Satisfactorily Applied
<b>Commentary:</b> In instances where it is applicable, formal arrangement is in place for governing and managing stakeholder relationships. The Board has adopted communication guidelines that support a responsible communication programme.			
The governing body should exercise ongoing oversight of stakeholder management and in particular, oversee that it results in the following: e. Measurement of the quality of material stakeholder relationships, and appropriately responding to the outcomes	K IV™ P16 Prac 4.e	Satisfactorily Applied	

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Registration Number: 1998/017351/06

Principle 16	<p><b>Commentary:</b> The gap between stakeholder perceptions and the performance of the company is managed and measured to enhance or protect the Group's reputation. The Group's philosophy on stakeholder engagement is informed by our corporate values and requires the company to make a concerted effort to understand and recognise stakeholder needs, concerns and expectations, and work to achieve mutually beneficial outcomes with stakeholders.</p>		
	<p>The following should be disclosed in relation to stakeholder relationships: a. An overview of the arrangements for governing and managing stakeholder relationships.</p>	K IV™ P16 Prac 5.a	Satisfactorily Applied
	<p><b>Commentary:</b> In instances where it is applicable, formal arrangement is in place for governing and managing stakeholder relationships.</p>		
	<p>The following should be disclosed in relation to stakeholder relationships: b. Key areas of focus during the reporting period.</p>	K IV™ P16 Prac 5.b	Satisfactorily Applied
	<p><b>Commentary:</b> All aspects in relation to key focus areas are disclosed in the integrated annual report.</p>		
	<p>The following should be disclosed in relation to stakeholder relationships: c. Actions taken to monitor the effectiveness of stakeholder management and how the outcomes were addressed.</p>	K IV™ P16 Prac 5.c	Satisfactorily Applied
	<p><b>Commentary:</b> The Group's stakeholder engagement activities are disclosed in the sustainability report within the integrated annual report.</p>		
<p>The following should be disclosed in relation to stakeholder relationships: d. Future areas of focus.</p>	K IV™ P16 Prac 5.d	Satisfactorily Applied	
<p><b>Commentary:</b> Future strategies insofar as stakeholder engagement is concerned is reviewed and approached when the need arises.</p>			
<p>The board should oversee that the company encourages proactive engagement with shareholders, including engagement at the annual general meeting (AGM) of the company.</p>	K IV™ P16 Prac 6	Satisfactorily Applied	

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Registration Number: 1998/017351/06

Principle 16	<p><b>Commentary:</b> The principal mechanisms for shareholders to communicate with the Board include the annual general meetings and the Board proactively engages the shareholders prior to the Annual General Meeting.</p>		
	<p>All directors should be available at the AGM to respond to shareholders' queries on how the board executed its governance duties.</p>	K IV™ P16 Prac 7	Satisfactorily Applied
	<p><b>Commentary:</b> The Chairman of the Board as well as directors, especially the Chairpersons of the Audit Committee, Remuneration Committee and the Social and Ethics Committee attend the Annual General Meeting and are available to answer questions from shareholders.</p>		
	<p>The board should ensure that the designated partner of the external audit firm attends the AGM.</p>	K IV™ P16 Prac 8	Satisfactorily Applied
	<p><b>Commentary:</b> The Board ensures that the designated partner of the external audit firm attends the Annual General Meeting.</p>		
	<p>The board should ensure that shareholders are equitably treated, and that the interests of minority shareholders are adequately protected.</p>	K IV™ P16 Prac 9	Satisfactorily Applied
	<p><b>Commentary:</b> There are formal policies and practices in place to ensure equal treatment of shareholders within the Group.</p>		
<p>The minutes of the AGMs of listed companies should be made publicly available</p>	K IV™ P16 Prac 10	Satisfactorily Applied	
<p><b>Commentary:</b> The Annual General Meeting Minutes of the company are available for public inspection upon request.</p>			
<p>The board of the holding company should assume responsibility for governance across the group by setting the direction for how the relationships and exercise of power within the group should be approached and conducted.</p>	K IV™ P16 Prac 11	Satisfactorily Applied	

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Principle 16	<p><b>Commentary:</b> The Board continuously identify and prioritise the material interests of our stakeholders and implemented a comprehensive stakeholder engagement strategy and framework to address these interests.</p>		
	<p>The board should approve a group governance framework that articulates and gives effect to its direction on relationships and the exercise of authority across the group.</p>	K IV™ P16 Prac 12	Satisfactorily Applied
	<p><b>Commentary:</b> The Group's Levels of Authority Framework serves as the governance framework between the group and its subsidiaries.</p>		
	<p>The adoption and implementation of the policies, structures and procedures of the holding company is a matter for consideration and approval by the board of the subsidiary company as a separate legal entity. The board of the holding company should therefore ensure that the boards of its subsidiaries are included in the development of the group governance framework.</p>	K IV™ P16 Prac 13	Satisfactorily Applied
	<p><b>Commentary:</b> Implementation and adoption of policies, processes or procedures of the holding company are considered and approved by the subsidiary company. The Board considers and approves policies as stipulated in the Group's Levels of Authority Framework.</p>		
	<p>The board of the holding company should ensure that the group governance framework does not conflict with the memoranda of incorporation, delegations of authority, shareholder agreements, board charters, board committee terms of reference, and related policies and agreements within the group.</p>	K IV™ P16 Prac 14	Satisfactorily Applied
<p><b>Commentary:</b> The Group governance framework does not conflict with the Memorandum of Incorporation, Levels of Authority, shareholder agreements, board charters, board committee terms of reference and related policies and agreements within the Group.</p>			
<p>The board of the holding company should ensure that the group governance framework recognises each subsidiary within the group as a separate and independent juristic person to whom its directors owe fiduciary duties.</p>	K IV™ P16 Prac 15	Satisfactorily Applied	

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Registration Number: 1998/017351/06

Principle 16	<p><b>Commentary:</b> The Group's Levels of Authority Framework recognises the separate and independent legal status of its subsidiary companies and the fiduciary duties of their directors.</p>		
	<p>The board of the holding company should ensure that the group governance framework addresses governance matters as is appropriate for the group, including the following: a. Delineation of the rights and role of the holding company.</p>	K IV™ P16 Prac 16.a	Satisfactorily Applied
	<p><b>Commentary:</b> The Board of the holding company ensures that the Group governance framework addresses governance matters as is appropriate for the Group, including the representation of the rights and role of the holding company.</p>		
	<p>The board of the holding company should ensure that the group governance framework addresses governance matters as is appropriate for the group, including the following: b. If applicable, delegation of certain responsibilities by the board of a subsidiary to a board committee of the holding company, without abdicating accountability and subject to agreed reporting and information sharing-arrangements.</p>	K IV™ P16 Prac 16.b	Satisfactorily Applied
	<p><b>Commentary:</b> The sub-committees of the Board of the holding company also acts as committees for the subsidiary committee without relinquishing accountability and subject to agreed reporting and information sharing arrangements.</p>		
	<p>The board of the holding company should ensure that the group governance framework addresses governance matters as is appropriate for the group, including the following: c. The extent to which governance and operational policies of the holding company have been adopted by subsidiary companies in the group.</p>	K IV™ P16 Prac 16.c	Satisfactorily Applied
<p><b>Commentary:</b> Governance and operational policies of the holding company have been fully adopted by subsidiary companies in the Group thereby ensuring adherence to the same policies and procedures.</p>			
<p>The board of the holding company should ensure that the group governance framework addresses governance matters as is appropriate for the group, including the following: d. Engagement by the holding company with the board of a subsidiary company before the holding company exercises its rights to elect directors to the board of the subsidiary.</p>	K IV™ P16 Prac 16.d	Satisfactorily Applied	

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Registration Number: 1998/017351/06

Principle 16	<p><b>Commentary:</b> Consultation takes place by the holding company Board with the chairperson of the subsidiary board and nomination committee prior to nominating a shareholder representative director.</p>		
	<p>The board of the holding company should ensure that the group governance framework addresses governance matters as is appropriate for the group, including the following: e. Arrangements to address the risk of breaching legal duty in relation to the use of information obtained while acting as director of one company in the group for the purposes of another company in the group.</p>	K IV™ P16 Prac 16.e	Satisfactorily Applied
	<p><b>Commentary:</b> Upon appointment, directors are required to sign confidentiality agreements in line with their fiduciary duties to address the risk of breaching legal duty in relation to the use of information obtained while acting as a director for the purposes of another company in the Group.</p>		
	<p>The board of the holding company should ensure that the agreed group governance framework is implemented across the group.</p>	K IV™ P16 Prac 17	Satisfactorily Applied
	<p><b>Commentary:</b> The holding company develops and implements the governance framework which is, in turn, flows through the Group.</p>		
	<p>The holding company should disclose an overview of the group governance framework that is implemented across the group.</p>	K IV™ P16 Prac 18	Satisfactorily Applied
<p><b>Commentary:</b> The integrated annual report provides details of the implementation and adoption of policies, processes or procedures of the holding company by subsidiary companies.</p>			
<p>The subsidiary company should disclose what responsibilities it has delegated to board committees of the holding company and the extent to which it has adopted the policies and procedures of the holding company</p>	K IV™ P16 Prac 19	Satisfactorily Applied	
<p><b>Commentary:</b> The Group's Level of Authority Framework provides guidance on the delegated responsibilities of the sub-committees to both the holding company and the subsidiary company.</p>			

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Registration Number: 1998/017351/06

Principle 17	The governing body of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote the good governance and the creation of value by the companies in which it invests.		
	The governing body of an institutional investor should assume responsibility for governing responsible investing by setting the direction for how it should be approached and conducted by the organisation.	K IV™ P17 Prac 20	Satisfactorily Applied
	<b>Commentary:</b> As a holding company, Conduit is not an institutional investor, however, Conduit does make investments in private businesses and publicly listed companies. Conduit's investment strategy, approach and philosophy are fully disclosed to all stakeholders in either one-on-one interactions as well as through the integrated annual report.		
	The governing body should approve policy that articulates its direction on responsible investment. This policy should provide for the adoption of a recognised responsible investment code, principles and practices.	K IV™ P17 Prac 21	Satisfactorily Applied
	<b>Commentary:</b> The Investment Policy is in place and has been approved by the board.		
The governing body should delegate to management, if in place, or alternatively, to the outsourced service provider if investment decisions and investment activities are outsourced, the responsibility to implement and execute its policy on responsible investment.	K IV™ P17 Prac 22	Satisfactorily Applied	
<b>Commentary:</b> The Investment Policy is in place and has been approved by the Board. Conduit does not outsource its investing activities and furthermore operates within a board approved Levels of Authority.			
Where the institutional investor outsources investment decisions or investment activities to custodians, nominees, consultants or other service providers, the governing body should oversee that the outsourcing is regulated by formal mandate which reflects and gives effect to its responsible investment policy.	K IV™ P17 Prac 23	Satisfactorily Applied	
<b>Commentary:</b> The Investment Policy is in place and has been approved by the Board. Conduit does not outsource its investing activities and furthermore operates within a board approved Levels of Authority.			
Where brokerages are used to execute investment activities (on Conduit's instruction) same is regulated by a (non-discretionary) mandate.			

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Registration Number: 1998/017351/06

Principle 17	<p>The governing body should ensure that service providers are held accountable for complying with the formal mandate.</p> <p><b>Commentary:</b> When necessary, the executive (under its delegated authority) and in conjunction with the mandate with the broker, executives ensure compliance with same.</p>	K IV™ P17 Prac 24	Satisfactorily Applied
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