

# Corporate Governance Report

> continued

on progress made in terms of internal audit plans as well as on key findings and trends identified. He has unrestricted access to the Group Audit Committee Chairman.

The internal audit plan, which is of a rolling three year nature, is based on the assessed strategic and operational risks of each operational business unit and support function. As risk is continually re-assessed, significant changes in profile, together with issues highlighted by the Group Audit Committee and senior management are also addressed in the internal audit work. In addition to the planned audits, the Internal Audit Department carries out Financial Health checks at all operations annually.

The internal audit team also carries out special investigations and assists with due diligence reviews on potential acquisitions.

## External audit

The external auditor expresses an independent opinion on the Annual Financial Statements. The external auditor is appointed by the Board on the recommendation of the Group Audit Committee and the appointment is ratified by shareholders in accordance with the provisions of section 90(1A)(B) of the Companies Act. The external auditor's performance and independence is regularly monitored by the Group Audit Committee. During the year the external auditor provided certain non-audit services including legal reviews. The extent of the non-audit work performed is not significant and is not deemed to impact on the external auditor's independence.

## Business continuity and technology recovery

A process has been put in place to allow critical business processes to continue operating at an alternate business location in the event of a large scale incident disrupting business activity. Testing of this business recovery capability occurs on a cyclical basis.

## IT Steering Committee

The Group's IT Steering Committee is chaired by the Group CFO. The remaining members are Executive Director SGT and SGA, the Group Company Secretary and the CIO. The IT Steering Committee overviews the following:

- IT Strategy
- IT Standards
- IT Budget
- IT Projects

In addition, the CIO is a member of Exco and the Operating Business Executive Committees. This ensures that the IT requirements of the business are in line with the Group's IT strategy and plan. The CIO attends the Group Risk Committee meetings and reports on IT controls and other pertinent issues to this committee.

## Fraud hotline

Good corporate governance requires companies to implement mechanisms to combat theft, fraud and other unethical practices. Amongst other initiatives, the fraud hotline acts as a tool in the combating of unethical behaviour.

The Group's fraud hotline is managed as an independent reporting mechanism in partnership with an experienced external service provider. Whistle-blowers are able to register tip-offs anonymously via telephone, fax, email or the service provider's website. The tip-offs

are relayed to the Group Audit and Risk Manager for investigation and disposition.

The hotline enforces the Group's approach of zero tolerance to crime, corruption and unethical behaviour. From time to time, internal communication campaigns are undertaken to stimulate awareness of the hotline and to communicate a reporter's anonymity.

## Employment equity, ethics, health, safety and third party management

### Employment equity

The directors believe that economically viable and self-sustaining employment equity is an essential and integral part of corporate governance within all Group businesses. Accordingly, the Board has approved a Group employment equity policy. In compliance with the Group policy, management of the various business units has initiated a variety of employment equity programmes. Super Group Holdings has obtained a B-BBEE Level 2 Contributor status.

### Code of Ethics and Business Conduct

Super Group is committed to high standards of honesty, integrity, behaviour and ethics in dealing with all stakeholders. All directors and employees of the Group are obliged to subscribe to the Super Group Code of Ethics and Business Conduct, which requires them to maintain high personal ethical standards and to act in good faith and in the best interests of the Group. The code also addresses conflicts of interest, particularly relating to directors and management. This ensures that the Group's business practices are conducted in an equitable manner.

No director or employee of the Group may deal, either directly or indirectly, in the company's shares whilst having knowledge of unpublished price-sensitive information regarding its business or affairs. No director or officer of the Group may trade in the company's shares during the closed embargo periods determined by the Board in terms of a formal policy implemented by the Group Company Secretary. Any trading in shares by directors of Super Group and the Group Company Secretary as well as the directors of major subsidiary companies of Super Group must be approved in writing by the Chairman of the company or the Group Company Secretary, prior to any such trade taking place.

Periods of embargo are from the end of a reporting period to the announcement of financial results and from the date of a cautionary announcement until a terms announcement. A register of directors and officers is available for inspection at the company's registered office in Sandton, South Africa.

### Occupational health and safety

The directors acknowledge their statutory and moral responsibility to employees and the public to comply with occupational health and safety standards. The Board is responsible for ensuring the adequacy and effectiveness of the application of the overall health, safety and environmental policies of the Group. The Group Health and Safety Manager, who reports to the Group CFO, is tasked with, inter alia, conducting compliance audits across all South African operating sites controlled by the Group, and reports thereon to the relevant levels of management who are obliged to undertake any required remedial actions within agreed time frames. The Group Health and Safety