

# Introduction

The directors and management of Super Group subscribe to the generally accepted principles of good corporate governance as one of the foundations of a sustainable business. Super Group is committed to and accepts responsibility for applying these principles to ensure that the Group is managed ethically within prudent risk parameters. The Group is subject to and endorses the on-going disclosure, corporate governance and other requirements required by the JSE. The Group also supports and complies with the principles of the new King Report on Corporate Governance (King IV) and the International Integrated Reporting Framework.

In terms of paragraph 8.63(a) of the JSE Listings Requirements, the Group has published its application of the Chapter 2 principles on its website [www.supergroup.co.za](http://www.supergroup.co.za). A King IV Application Register is included in this report on pages 16 to 20, and is also available on the website. As King IV is silent on the matter of the GRI guidelines, Super Group has not included a GRI-G4 Index this year.

The 2017 financial year was another active year for Super Group, characterised by various corporate actions, these included:

- The acquisition of Fleet Hire in the UK by SG Fleet effective 4 August 2016.
- The acquisition of seven passenger and two commercial dealerships in the Western Cape effective 1 September 2016.
- The issuance of a second tranche of the DMTN for R50 million on 9 September 2016.
- The acquisition of 75% of the share capital of ABF Legend Logistics effective 30 September 2016.
- The redemption of the first tranche of the DMTN to the value of R471 million on 31 October 2016.
- The issuance of a third tranche of the DMTN for R154 million on 31 October 2016.
- The acquisition of Motiva by SG Fleet effective 30 November 2016.
- The acquisition of the Essex Auto Group by Allen Ford effective 1 March 2017.
- The acquisition of the 49.2% minority interest in SG Coal for R167.3 million.

The acquisitions are all in line with Super Group's stated strategy of selected acquisitions in its core businesses in the geographies in which it operates.

Issues of corporate governance, including the requirements of the Companies Act, the JSE Listings Requirements and King IV, will continue to receive the Board's attention, consideration and refinement as necessary for the Group to remain compliant with current practices in corporate governance and with the changes arising from the South African Corporate Law reformation process. Sound corporate governance remains one of the top priorities of the Board and executive management.