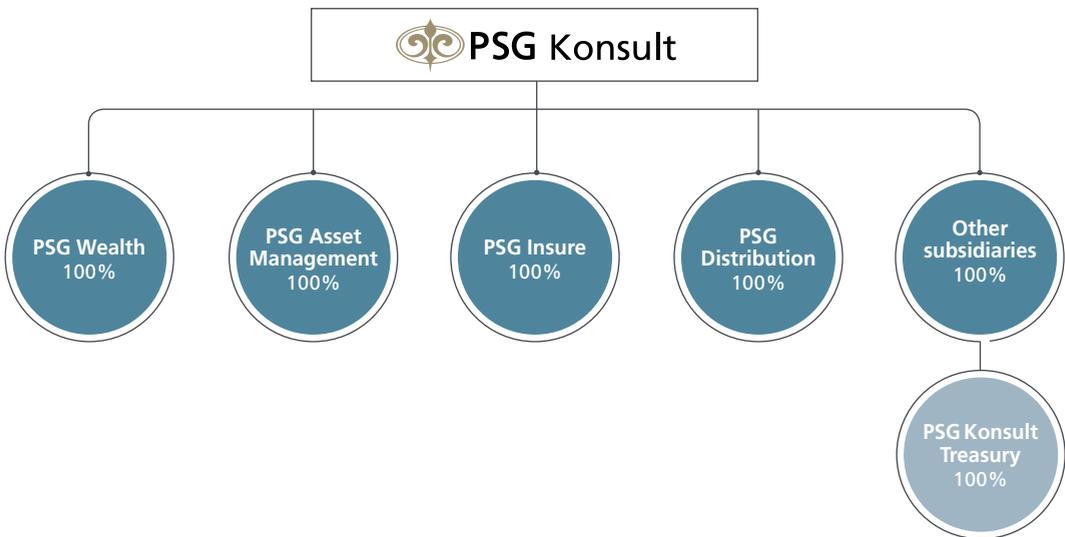


PSG KONSULT KING IV™ PRINCIPLES DISCLOSURE REGISTER

PSG Konsult Limited (PSG Konsult) has adopted the principles of the King IV Report on Corporate Governance™ for South Africa, 2016 (King IV™). The following register endeavours to explain our application of the principles and is transparent in areas which we need to enhance. The register provides a high-level overview of disclosures relating to the King IV™ principles, with references to the areas of the integrated report and other resources where detailed information can be found. We have indicated the level of application and explanation of the group's King IV™ disclosure, to indicate the status of such disclosure.

PSG Konsult Treasury Limited (PSG Konsult Treasury) is a wholly owned subsidiary which is supported by committees established by PSG Konsult. In particular, audit and risk matters are adequately and independently overseen by relying on the PSG Konsult audit and risk committees respectively. The board at all times consists of a chief executive officer and at least one other executive, appointed to ensure that the board has more than one point of direct interaction with management.



PSG Konsult Treasury has adopted a board charter in line with King IV™ principles and JSE Listings Requirements pertaining to debt issuers. For the majority of the King IV™ principles, PSG Konsult Treasury disclosures align with those of the group. Exceptions are indicated in the register below*.

| PRINCIPLE | DISCLOSURE REQUIREMENTS AND CONTEXT | FURTHER INFORMATION | STATUS OF DISCLOSURE |
|---|--|---|-----------------------------|
| 1 The governing body should lead ethically and effectively | Board members are held accountable for ethical and effective leadership through codes of conduct and ethics, and performance evaluations. | Corporate governance report, page 98 View from the chairman, page 12 | Effective disclosure |

| PRINCIPLE | DISCLOSURE REQUIREMENTS AND CONTEXT | FURTHER INFORMATION | STATUS OF DISCLOSURE |
|--|---|---|--|
| 2 The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture | Arrangements for governing and managing ethics through key current and future focus areas are provided, combined with measures taken to monitor and respond to the establishment of an ethical culture. | Corporate governance report, page 98 | Effective disclosure with intent to monitor and respond to the establishment of an ethical culture in future |
| 3 The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen | Arrangements for governing and managing responsible corporate citizenship through key current and future focus areas are provided, in combination with measures taken to monitor and respond to corporate citizenship outcomes. | Corporate governance report, page 98 Our core business principles, page 19 View from the chairman, page 13 Stakeholders, pages 55 to 56 | Effective disclosure with intent to monitor and respond to corporate citizenship outcomes in future |
| 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 | The integrated report, corporate governance report and annual financial statements provide an overview of PSG Konsult's value creation process and performance. | View from the chairman, pages 10 to 13 Group overview, pages 20 to 25, 35 Strategy development process, page 62 | Effective disclosure |
| 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 | The integrated report, corporate governance report and annual financial statements provide an overview of PSG Konsult's performance and prospects. | PSG Konsult's approach to reporting, page 3 Shareholder and analyst engagement, page 54 *PSG Konsult Treasury publishes its annual financial statements and DMTN programme memorandum on the PSG website. | Effective disclosure |

| PRINCIPLE | DISCLOSURE REQUIREMENTS AND CONTEXT | FURTHER INFORMATION | STATUS OF DISCLOSURE |
|---|---|--|----------------------|
| 6 The governing body should serve as the focal point and custodian of corporate governance in the organisation | The number of board meetings and attendance is supported by a statement from the board on the fulfilment of its responsibilities. | Corporate governance report, pages 101 to 102 | Effective disclosure |
| 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 | The board confirms its satisfaction with its composition, including gender and race representation. Changes to the board as well as detail member profiles are provided. | Corporate governance report, pages 99 to 101 | Effective disclosure |
| 8 The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties | For each committee their overall membership, role, responsibilities and functions are set out, including support from external subject matter experts. Each committee provides key focus areas during the reporting period and states whether it is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period. Additional information is provided on the audit committee. | Corporate governance report, pages 104 to 106 Annual financial statements, pages 129 to 130 | Effective disclosure |
| 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 | The board performance evaluation approach and outcomes are provided. | Corporate governance report, pages 101 to 102 | Effective disclosure |
| 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 | The delegated authority policy provides clarity and the effective exercise of responsibilities. Details on the chief executive officer's employment and succession are provided. The arrangements for accessing professional corporate governance services and effectiveness thereof are set out. | Corporate governance report, pages 103, 105 | Effective disclosure |

| PRINCIPLE | DISCLOSURE REQUIREMENTS AND CONTEXT | FURTHER INFORMATION | STATUS OF DISCLOSURE |
|---|---|--|---|
| 11 The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives | The nature and extent of risks are provided within the context of PSG Konsult's arrangements for governing and managing risk. Key current and future focus areas are included. | Risk report, pages 110 to 113 | Effective disclosure |
| 12 The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives | Arrangements for governing and managing risk through key current and future focus areas are provided, combined with actions taken to monitor and respond to the effectiveness of technology and information management. | Information technology (IT) governance, page 109 | Effective disclosure |
| 13 The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen | Arrangements for governing and managing compliance through key current and future focus areas, combined with actions taken to monitor and respond to the effectiveness of compliance. This includes a statement on material or repeated regulatory penalties. | <p>Corporate governance report, pages 98, 108</p> <p>Reporting compliance, page 4</p> <p>View from the chairman, page 12</p> <p>Group structure, page 17</p> <p>How PSG Konsult creates value for clients, pages 48 to 49</p> <p>Government, regulatory bodies and industry associates, pages 57 to 58</p> | Effective disclosure with intent to monitor and respond to the effectiveness of compliance in future |
| 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 | Details on PSG Konsult's remuneration approach, the main provisions of the remuneration policy and the implementation thereof are included, with more detailed disclosures on long-term incentives. The voting results at the 2017 annual general meeting are also disclosed. | Remuneration report, pages 114 to 127 | Disclosure enhanced during 2018 by a remuneration implementation report. Further disclosure improvements will be considered for 2019. |

| PRINCIPLE | DISCLOSURE REQUIREMENTS AND CONTEXT | FURTHER INFORMATION | STATUS OF DISCLOSURE |
|---|--|---|---|
| <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</p> | <p>The type of assurance processes and providers for each report is provided in addition to a statement by the board about the integrity of the report.</p> | <p>PSG Konsult's approach to reporting, page 4</p> <p>Annual financial statements, pages 129 to 130</p> | <p>Effective disclosure</p> |
| <p>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</p> | <p>Arrangements for governing and managing stakeholder relationships through key current and future focus areas are provided, combined with actions taken to monitor and respond to the effectiveness of stakeholder management.</p> | <p>Corporate governance report, pages 98, 101 to 103</p> <p>Stakeholders, page 38</p> | <p>Effective disclosure with the intent to improve actions to monitor the effectiveness of stakeholder engagement in future</p> |
| <p>17 The governing body of an institutional investor organisation should ensure that responsible investment is practised by the organisation to promote the good governance and the creation of value by the companies in which it invests</p> | <p>Disclosures include PSG Asset Management's commitment to responsible investing.</p> | <p>PSG Asset Management, page 87</p> <p>*Not applicable to PSG Konsult Treasury</p> | <p>Effective disclosure</p> |