

APPLICATION OF PRINCIPLES IN KING III CODE

Nu-World Holdings Limited is aware of and complies with all regulation relative to its operations. The Board aims to apply the best practice recommendations as set out in the King Report, in a manner that reflects the stature, market position and size of the Group.

A detailed list of the Group's application of King III principles is set out below:

1 Not Applied / Will Not Be Applied 2 In Process / Partially applied 3 Full application

| | Principle | Level of Application | Comments |
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| 1. | Ethical leadership and corporate citizenship | | |
| 1.1 | The Board should provide effective leadership based on an ethical foundation | 3 | Ethics form part of the values of the Board and Group. The responsibility for effective leadership based on an ethical foundation is recognised in the Board charter. |
| 1.2 | The Board should ensure that the Group is, and is seen to be, a responsible corporate citizen | 2 | The Group continually identifies and contributes to selected corporate social investment initiatives as it strives to become a more responsible corporate citizen. |
| 1.3 | The Board should ensure that the Group's ethics are managed effectively | 3 | A Social and Ethics Committee is in place which supports the Board in managing the ethics program. |
| 2. | Board and Directors | | |
| 2.1 | The Board should act as the focal point for and custodian of corporate governance | 3 | Contained in Board charter as guiding principle |
| 2.2 | The Board should appreciate that strategy, risk, performance and sustainability are inseparable | 3 | Contained in Board charter as guiding principle |
| 2.3 | The Board should provide effective leadership based on an ethical foundation | 3 | Contained in Board charter as guiding principle |
| 2.4 | The Board should ensure that the Group is and is seen to be a responsible corporate citizen | 3 | The Group identifies and contributes to selected corporate social investment initiatives |
| 2.5 | The Board should ensure that the Group's ethics are managed effectively | 3 | A Social and Ethics Committee is in place which supports the Board in effectively managing the Group's ethics program. |
| 2.6 | The Board should ensure that the Group has an effective and independent audit committee | 3 | An independent Audit Committee has been established and is chaired by an independent non-executive director. The Committees independence and effectiveness is continually reviewed by the Board. |

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| 2.7 | The Board should be responsible for the governance of risk | 3 | The Group's Risk Management Committee forms an integral component of the Group's governance framework and assists the Board in executing its responsibility in terms of the governance of risk. |
| 2.8 | The Board should be responsible for information technology (IT) governance | 3 | The Board charter requires the Board to assume the overall responsibility for IT governance. The Board has delegated certain of this responsibility to its IT Steering Committee. |
| 2.9 | The Board should ensure that the Group complies with applicable laws and considers adherence to non-binding rules, codes and standards | 3 | The Audit and Risk Committees assist the Board in ensuring that the relevant compliance framework is maintained and that the Group complies with all applicable laws and regulations. |
| 2.10 | The Board should ensure that there is an effective risk-based internal audit | 1 | The establishment of an internal audit function is considered by the Audit and Risk Committees on a regular basis with appropriate recommendations to the Board. The Committees continually monitor the potential risks introduced by the absence of such a function. |
| 2.11 | The Board should appreciate that stakeholders' perceptions affect the Group's reputation | 3 | Stakeholders perceptions are a guiding principal contained in the Board charter. |
| 2.12 | The Board should ensure the integrity of the Group's integrated report | 3 | The Board and members of the Audit Committee review the Integrated Annual Report. |
| 2.13 | The Board should report on the effectiveness of the Group's system of internal controls | 3 | The internal controls are reviewed by the Audit Committee who also reports to shareholders via the Committee's report which is included in the annual financial statements. |
| 2.14 | The Board and its directors should act in the best interests of the Group | 3 | The Board and individual directors have been reminded of their fiduciary and other responsibilities under the Companies Act and King III. The Directors are required to exercise objective judgement and to act in the best interests of the Group at all times. |
| 2.15 | The Board should consider business rescue proceedings or other turnaround mechanisms as soon as the Group is financially distressed as defined in the Act | 3 | The Board continually monitors the solvency and liquidity of the Group and will consider business rescue proceedings should the need arise. |
| 2.16 | The Board should elect a chairman of the Board who is an independent non-executive director. The CEO of the Group should not also fulfil the role of chairman of the Board | 2 | The roles of CEO and chairman are separate. As recommended by the King Report, a lead independent director has been appointed in light of the fact that the chairman is not an independent non- executive director. |
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| 2.17 | The Board should appoint the Chief Executive Officer and establish a framework for the delegation of authority | 3 | The Board has appointed a CEO and has established a framework for the delegation of authority. |
| 2.18 | The Board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent | 2 | The Board consists of 6 directors including the 3 executive directors. All the non-executive directors are independent and the Group's Nomination Committee is actively looking to appoint additional non-executive directors with the necessary skill and acumen. |
| 2.19 | Directors should be appointed through a formal process | 3 | Appointments to the Board are made in a formal and transparent manner with the assistance of the Nomination Committee, acting under the guidance of the lead independent non-executive Director. |
| 2.20 | The induction of and ongoing training and development of directors should be conducted through formal processes | 3 | The Nomination Committee is responsible to ensure the induction and continued training and development of directors. |
| 2.21 | The Board should be assisted by a competent, suitably qualified and experienced Group Secretary | 3 | The Board considers the Group Secretary to be suitably qualified and experienced and in a position to advise the Group independently. |
| 2.22 | The evaluation of the Board, its committees and the individual directors should be performed every year | 3 | The Board delegates certain functions to the Audit, Risk, Remuneration, Nominations and Ethics Committees and continually evaluates the performance of the Board members, individual directors and Committees. |
| 2.23 | The Board should delegate certain functions to well-structured committees without abdicating its own responsibilities | 3 | The Board has formed standing committees to perform certain functions and ad hoc committees are formed as and when required. The individual committees are listed in principle 2.22 above |
| 2.24 | A governance framework should be agreed between the Group and its subsidiary boards | 2 | The Group is in the process of reviewing the governance framework of its subsidiary Boards. Change will be implemented where necessary. |
| 2.25 | Companies should remunerate directors and executives fairly and responsibly | 3 | Directors' remuneration is determined annually based on market related benchmarks by the Remuneration Committee. The Group's detailed Remuneration report forms part of the Group's Integrated Annual Report. |
| 2.26 | Companies should disclose the remuneration of each individual director and certain senior executives | 3 | The Group discloses directors' remuneration in the Integrated Annual Report |
| 2.27 | Shareholders should approve the Group's remuneration policy | 3 | In terms of the King III recommendation, the Group's remuneration Policy is submitted annually to shareholders for their non-binding vote. |
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| 3. | Audit Committees | | |
| 3.1 | The Board should ensure that the Group has an effective and independent audit committee | 3 | The Group has an Audit Committee comprising three independent, non-executive directors appointed by the shareholders. The Committee has clear terms of reference, approved by the board, which complies with Section 94 of the Companies Act and King III. The Committee is chaired by an experienced independent non-executive director that should also support the effectiveness of the Committee. |
| 3.2 | Audit committee members should be suitably skilled and experienced independent, non-executive directors | 3 | The Committee consists of suitably qualified and experienced independent directors. |
| 3.3 | The audit committee should be chaired by an independent non-executive director | 3 | The Committee is chaired by, an independent non-executive director. |
| 3.4 | The audit committee should oversee the integrated reporting (integrated reporting, financial, sustainability and summarised information) | 3 | The Committee and/or members of the Committee reviews the Integrated Annual Report prepared by management. |
| 3.5 | The audit committee should be responsible for evaluating the significant judgements and reporting decisions affecting the integrated report | 3 | All significant judgements and reporting decisions are reported to the Committee. |
| 3.6 | The audit committee's review of the financial reports should encompass the annual financial statements, interim reports, preliminary or provisional result announcements, summarised integrated information, any other intended release of price-sensitive financial information, trading statements, circulars and similar documents | 3 | The Audit Committee reviews all Integrated Annual Reports, interim results and any provisional results announcements. |
| 3.7 | The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities | 2 | The Committee will look at options to implement a formal assurance model. |
| 3.8 | The audit committee should satisfy itself of the expertise, resources and experience of the Group's finance function | 3 | The Committee performs an annual review of the finance function and performance of the financial director. |

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| 3.9 | The audit committee should be responsible for overseeing of internal audit | 1 | The Group does not have an internal audit function as disclosed in principle 2.10 above. |
| 3.10 | The audit committee should be an integral component of the risk management process | 3 | The terms of reference of the Audit Committee requires the committee to oversee the Group's risk management process. |
| 3.11 | The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process | 3 | The Committee oversees the external audit functions, reviews the appropriateness and independence of the external auditor annually and recommends to the shareholders, their appointment, re-appointment or removal. |
| 3.12 | The audit committee should report to the Board and shareholders on how it has discharged its duties | 3 | The Committee formally reports to the shareholders in the Integrated Annual Report and on a frequent basis to the Board. |
| 4. | The governance of risk | | |
| 4.1 | The Board should be responsible for the governance of risk | 3 | Contained in Board charter as a guiding principle and supported by the role and responsibility of the Risk Committee. |
| 4.2 | The Board should determine the levels of risk tolerance | 3 | The Risk Committee operates within its approved charter, framework and policy which are reviewed on an annual basis by the Board. |
| 4.3 | The risk committee or audit committee should assist the Board in carrying out its risk responsibilities | 3 | The Audit and Risk Committee operates within its approved charter, framework and policy which are reviewed on an annual basis. |
| 4.4 | The Board should delegate to management the responsibility to design, implement and monitor the risk management plan | 3 | The Board charter and the terms of reference of the Risk Committee delegates the development of risk management plans and strategies to management. |
| 4.5 | The Board should ensure that risk assessments are performed on a continual basis | 2 | The Board, with the assistance of the Risk Committee, continually perform risk assessments. |
| 4.6 | The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks | 2 | The Board, with the assistance of the Risk Committee, have and continue to implement strategies, procedures and measures to increase the probability of addressing all potential risks. |
| 4.7 | The Board should ensure that management considers and implements appropriate risk responses | 3 | The terms of reference of the Risk Committee requires the Committee to ensure that management develops adequate risk responses and that the Committee considers and evaluates these responses. |

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| 4.8 | The Board should ensure continual risk monitoring by management | 3 | The terms of reference of the Risk Committee requires the Committee to ensure that there is effective and continual monitoring of risk management and that the responsibility for monitoring risk is defined in the risk management plan. |
| 4.9 | The Board should receive assurance regarding the effectiveness of the risk management process | 2 | The Board, with the assistance of the Risk Committee is in the process of formalising its risk review process. |
| 4.10 | The Board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders | 3 | The Board is comfortable with the existing processes which are in place. |
| 5. | The governance of Information Technology (IT) | | |
| 5.1 | The Board should be responsible for information technology (IT) governance | 3 | The Board charter requires the Board to assume the overall responsibility for IT governance. The Board has delegated certain of this responsibility to its IT Steering Committee. |
| 5.2 | IT should be aligned with the performance and sustainability objectives of the Group | 2 | The IT strategy will be integrated with the Group's strategic and business processes. |
| 5.3 | The Board should delegate to management the responsibility for the implementation of an IT governance framework | 3 | The terms of reference of the Audit and Risk Committees requires the Committees to ensure that management is responsible for the implementation of the structures, processes and mechanisms for the IT governance framework. |
| 5.4 | The Board should monitor and evaluate significant IT investments and expenditure | 3 | IT investments and expenses form part of the normal budgeting process, and is therefore approved by the Board |
| 5.5 | IT should form an integral part of the Group's risk management | 3 | The terms of reference of the Audit and Risk Committees requires the Committees to ensure that management demonstrates that the Group has adequate business resilience arrangements in place for disaster recovery and that the Group complies with all IT laws and related rules, codes and standards. |
| 5.6 | The Board should ensure that information assets are managed effectively | 2 | The terms of reference of the Audit and Risk Committees requires the Committees to ensure that systems are in place for the management of information. An information management strategy will be considered to monitor the management of IT assets. |

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| 5.7 | A risk committee and audit committee should assist the Board in carrying out its IT responsibilities | 2 | As noted in 5.1 above, the Board has delegated certain of this responsibility to its IT Steering Committee who's performances is monitored by the Audit and Risk Committees. |
| 6. | Compliance with laws, codes, rules and standards | | |
| 6.1 | The Board should ensure that the Group complies with applicable laws and considers adherence to non-binding rules, codes and standards | 2 | The Board charter recognises the Board's responsibility for ensuring compliance by the Group. An appropriate compliance policy and framework will be adopted for this purpose. |
| 6.2 | The Board and each individual director should have a working understanding of the effect of the applicable laws, rules, codes and standards on the Group and its business | 2 | The directors appointed by the Board are suitably skilled and experienced with regard to the applicable laws, rules, codes and standards applicable to the cGroup and its business. In addition, regular updates and briefings will be provided to directors on developments In this area. |
| 6.3 | Compliance risk should form an integral part of the Group's risk management process | 3 | The Groups compliance with laws, codes, rules and standards currently forms an integral part of the Groups risk management process. |
| 6.4 | The Board should delegate to management the implementation of an effective compliance framework and processes | 2 | A formal compliance framework and processes will be adopted. |
| 7. | Internal audit | | |
| 7.1 | The Board should ensure that there is an effective risk-based internal audit | 1 | The Group does not have an internal audit function and the Audit and Risk Committees will be expected to consider the need for an internal audit function on a regular basis. |
| 7.2 | Internal audit should follow a risk-based approach to its plan | 1 | Refer to principle 7.1 above. |
| 7.3 | Internal audit should provide a written assessment of the effectiveness of the Group's system of internal control and risk management | 1 | In the absence of an internal audit function, the Audit and Risk committees will be required to pay particular attention to the effectiveness of the Group's system of internal control and risk management. |
| 7.4 | The audit committee should be responsible for overseeing internal audit | 1 | Refer to principle 7.1 above. |
| 7.5 | Internal audit should be strategically positioned to achieve its objectives | 1 | Refer to principle 7.1 above. |

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| 8. | Governing stakeholder relationships | | |
| 8.1 | The Board should appreciate that stakeholders' perceptions affect a Group's reputation | 3 | The Board monitors stakeholder perceptions very closely. |
| 8.2 | The Board should delegate to management to pro-actively deal with stakeholder relationships | 3 | Management is responsible for dealing pro-actively with stakeholder relationships |
| 8.3 | The Board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the Group | 3 | Stakeholder's interests are considered during decision-making processes |
| 8.4 | Companies should ensure the equitable treatment of shareholders | 3 | The Board considers the equitable treatment of shareholders in decision-making |
| 8.5 | Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence | 3 | Communication to stakeholders is the responsibility of the executive team and Group Secretary and is monitored by the Board |
| 8.6 | The Board should ensure that disputes are resolved as effectively, efficiently and expeditiously as possible | 3 | All disputes communicated to the Board are resolved effectively and efficiently |
| 9. | Integrated Reporting and disclosure | | |
| 9.1 | The Board should ensure the integrity of the Group's integrated report | 3 | The Board will assume responsibility for the integrated report and will ensure that the report fairly represents the performance of the Group with the assistance of the Audit and Risk Committees. |
| 9.2 | Sustainability reporting and disclosure should be integrated with the Group's financial reporting | 2 | Sustainability reporting is being integrated in the Groups financial reporting wherever possible. |
| 9.3 | Sustainability reporting and disclosure should be independently assured | 2 | The Board is currently reviewing options in this regard. |