

05 | OTHER



Notice of annual general meeting

Notice is hereby given to shareholders that the annual general meeting of the shareholders of the Company will be held in the Value Boardroom, Value City, Essex Road, Tunney, Germiston on Wednesday, 19 October 2016 at 10:00 (AGM), to:

- (i) deal with such business as may lawfully be dealt with at the meeting; and
- (ii) consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the Companies Act of South Africa, as amended ("the Act"), as read with the Listings Requirements of the JSE Limited ("JSE Listings Requirements") on which exchange the Company's ordinary shares are listed, which meeting is to be participated in and voted at by shareholders as at the record date of Friday, 14 October 2016.

Kindly note that in terms of section 63(1) of the Act, meeting participants (including shareholders and proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a shareholders' meeting. Forms of identification include valid identity documents, driver's licences and passports.

When reading the resolutions below, please refer to the explanatory notes for the resolutions.

PRESENTATION OF THE ANNUAL FINANCIAL STATEMENTS

The audited consolidated and separate annual financial statements of the Company (as approved by the Board of directors of the Company), incorporating the external auditor, audit committee and directors' reports for the year ended 29 February 2016, are presented to shareholders.

PRESENTATION BY THE CHAIRMAN OF THE SOCIAL AND ETHICS COMMITTEE

In accordance with Companies Regulation 43(5)9(c), issued in terms of the Act, the chairman of the social and ethics committee will present a verbal report to shareholders on the activities of the social and ethics committee.

ORDINARY RESOLUTIONS

Ordinary resolution 1: Re-election of directors

In accordance with the Company's memorandum of incorporation (MOI), to elect, by individual resolutions, the following non-executive directors who were appointed by the Board of directors to fill vacancies and are to retire at this annual general meeting but hold themselves available for election as directors, as designated.

Resolved that the following non-executive directors be and are hereby re-elected by separate resolutions, and each by way of a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, in terms the Company's MOI:

- 1.1 Dr NM Phosa
- 1.2 Mr VW Mcobothi

Brief profiles in respect of each director offering themselves for re-election are contained on pages 38 and 39 of the integrated annual report.

Ordinary resolution 2: Appointment of audit and risk committee members

To appoint, on the Board's recommendation, by individual resolutions, the following independent non-executive directors as members of the audit and risk committee of the Company and the Group:

Resolved that the following independent, non-executive directors are appointed as members of the Company's audit and risk committee, in terms of section 94(2) of the Act, by separate resolutions and each by way of a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, with effect from the end of this annual general meeting:

- 2.1 Mr IM Groves (chairman)
- 2.2 Mr VW Mcobothi*
- 2.3 Mr CD Stein

**Subject to re-election as a director pursuant to ordinary resolution number 1.2*

Mr CD Stein is currently the chairman of the Board and a member of the audit and risk committee as his experience and knowledge of the Group's operations and risks are invaluable to the audit and risk committee.

Mr CD Stein is an independent non-executive chairman of the Board, therefore he may be a member of the audit committee. Additionally, the Company has complied with guidance from the JSE in this circumstance, in that:

- all the other members of the audit and risk committee are independent non-executive directors
- Mr CD Stein is not the chairman of the audit committee
- the dual role has been specifically disclosed to shareholders
- shareholders approved the appointment of the chairman to the audit and risk committee at the AGM

Brief profiles of the independent non-executive directors offering themselves for election as members of the audit and risk committee are enclosed on pages 38 and 39.

Ordinary resolution 3: Reappointment of external auditor

"Resolved that, upon the recommendation of the audit committee, Baker Tilly SVG represented by Mr L Vroom as the audit partner be and is hereby reappointed as the independent registered auditor of the Company, to report on the financial year ending 28 February 2017, meeting the requirements of section 90(2) and (3) of the Companies Act, until the conclusion of the next annual general meeting."

Ordinary resolution 4: Advisory, non-binding approval of remuneration policy

"Resolved, by way of a non-binding advisory vote, that the Company's remuneration policy (excluding the remuneration of the non-executive directors and the members of board committees for their services as directors and members of committees), as set out on page 33 of the integrated annual report, is endorsed."

Additional information

The King Code of Governance Principles for South Africa, 2009 (King III) recommends that the remuneration policy of a company be submitted for a non-binding advisory vote by shareholders at each AGM. The objective of a remuneration policy is to guide the Board in its decision-making process and in particular the determination of remuneration of non-executive directors, as set out on pages 52 and 129 of the integrated annual report.

Ordinary resolution 5: General authority to directors to allot and issue authorised but unissued ordinary shares

To authorise the directors as required by the Company's MOI and subject to the provisions of section 41 of the Act to allot and issue at their discretion the unissued but authorised ordinary shares in the share capital of

the Company and/or grant options to subscribe for the unissued shares, representing not more than 10% of the number of ordinary shares in the issued share capital of the Company as at 29 February 2016 for such purposes and on such terms and conditions as they may determine, provided that such transaction(s) has/have been approved by the JSE Limited and are subject to the JSE Listings Requirements which authority shall endure until the next AGM of the Company.

"Resolved that, as required by and subject to the MOI and the requirements of the Act and the JSE Listings Requirements, from time to time, the directors are, as a general authority and approval, authorised, as they in their discretion think fit, to allot and issue the unissued ordinary shares of the Company."

Ordinary resolution 6: General authority to allot and issue ordinary shares for cash

"Resolved that, subject to renewal of the general authority proposed in terms of ordinary resolution number 5 above and the JSE Listings Requirements, the directors are authorised to allot and issue ordinary shares in the capital of the Company for cash, as and when suitable situations arise, on the following conditions:

- any such issue of shares shall be to "public shareholders" as defined by the JSE Listings Requirements and not to "related parties"
- this authority shall only be valid until the next annual general meeting of the Company, provided it shall not extend beyond 15 months from the date of this annual general meeting
- a SENS announcement giving details, including the impact on net asset value and earnings per share, will be published at the time of any such allotment and issue of shares representing, on a cumulative basis within one financial year, 5% or more of the number of shares of that class in issue prior to any such issues
- issues of shares (excluding issues of shares exercised in terms of any company/group share incentive scheme) in any one financial year, shall not, in aggregate, exceed 9 321 373 of the number of shares of the relevant class of the Company's issued share capital
- in determining the price at which an allotment and issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price on the JSE of the class of shares to be issued measured over the 30 business days prior to the date that the price of issue is determined or agreed between the Company and the party/ies subscribing for the shares"

Notice of annual general meeting

(continued)

Ordinary resolution 7: Signing authority

"Resolved to authorise any one director or the secretary of the Company to do all such things and sign all such documents as are deemed necessary to implement the resolutions set out in the notice convening the AGM."

SPECIAL RESOLUTIONS

Special resolution 1: General authority to directors to repurchase Company shares

"Resolved that the Company and/or any subsidiary of the Company is hereby authorised, by way of a general authority, from time to time, to acquire ordinary shares in the share capital of the Company from any person in accordance with the requirements of the Company's memorandum of incorporation, the Act and the JSE Listings Requirements, from time to time, provided that:

- this general authority be valid until the Company's next AGM, provided that it shall not extend beyond 15 months from the date of passing of this resolution (whichever period is shorter)
- the repurchase being effected through the order book operated by the JSE trading system, without any prior understanding or arrangement between the Company and the counterparty
- repurchases may not be made at a price greater than 10% above the weighted average of the market value of the ordinary shares for the five business days immediately preceding the date on which the transaction was effected
- an announcement being published as soon as the Company has repurchased ordinary shares constituting, on a cumulative basis, 3% of the initial number of ordinary shares, and for each 3% in aggregate of the initial number of ordinary shares repurchased thereafter, containing full details of such repurchases

- the number of shares which may be acquired pursuant to this authority in any one financial year may not in the aggregate exceed 20% of the Company's issued share capital as at the date of passing of this special resolution or 10% of the Company's issued share capital in the case of an acquisition of shares in the Company by a subsidiary of the Company
- the Company and/or its subsidiaries not repurchasing securities during a prohibited period as defined in the JSE Listings Requirements, unless it has in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed and full details of the programme have been submitted to the JSE in writing prior to the commencement of the prohibited period
- at any point in time the Company only appointing one agent to effect any repurchases on its behalf
- the Board of directors passing a resolution that they authorised the repurchase and that the Company passed the solvency and liquidity test set out in section 4 of the Act and that since the test was done there have been no material changes to the financial position of the Group

The directors, having considered the effects of the maximum repurchase permitted, are of the opinion that for a period of 12 months after the date of the notice of the AGM and at the actual date of the repurchase:

- the Company and the Group will be able, in the ordinary course of business, to pay its debts;
- the working capital of the Company and the Group will be adequate for ordinary business purposes;
- the assets of the Company and the Group, fairly valued in accordance with International Financial Reporting Standards, will exceed the liabilities of the Company and the Group; and
- the Company's and the Group's ordinary share capital and reserves will be adequate for ordinary business purposes.

Special resolution 2: Remuneration of non-executive directors

To pass the following resolution as a special resolution:

"Resolved that the payment of non-executive directors' fees in respect of the financial year ending 28 February 2017 be and it is hereby approved on the following basis:

"Resolved, in terms of the Company's MOI, that the remuneration payable, with effect from 1 March 2017, to the Company's non-executive directors for their services as directors and chairman of the Company, respectively, be set as follows:

Payable to non-executive directors for participating in board committees	Proposal fee	Approved fee
	2018	2017
	R	R
Board		
– CD Stein, Chairman (shareholder meetings)	15 360	13 891
Board member		
– CD Stein	38 400	35 043
– IM Groves	29 044	29 044
– NM Phosa	50 701	50 701
– VW Mcobothe	21 222	21 222
Audit and risk committee		
– CD Stein	38 400	35 043
– IM Groves	29 044	29 044
– VW Mcobothe	21 222	21 222
Remuneration and nomination committee		
– CD Stein	19 200	17 521
– IM Groves	14 522	14 522
Social and ethics committee		
– VW Mcobothe	10 611	10 611
– IM Groves	14 522	14 522
Monthly retainer		
– CD Stein	33 280	33 280
– IM Groves	26 624	26 624
– NM Phosa	21 126	21 126
– VW Mcobothe	17 685	17 685
Annual totals		
– CD Stein	798 720	798 720
– IM Groves	638 975	638 975
– NM Phosa	507 013	507 013
– VW Mcobothe	424 440	424 440

Notice of annual general meeting

(continued)

Special resolution 3: Authority to provide financial assistance to any company or corporation which is related or inter-related to the Company

*Resolved as a special resolution that:

- (i) for purposes of section 44 of the Companies Act, the Board of directors of the Company, at any time and from time to time during the period of 2 (two) years commencing on the date of this special resolution, be and is hereby authorised (subject to compliance with the requirements of the Company's constitutional documents and the Companies Act, each as presently constituted and as amended from time to time), to grant financial assistance, as contemplated in section 44 of the Companies Act, to any person or entity for the purpose of, or in connection with, the subscription of any securities issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company, on such terms and conditions as the Board of directors of the Company deems fit; and
- (ii) for the purposes of section 45 of the Companies Act, the Board of directors of the Company, at any time and from time to time during the period of 2 (two) years commencing on the date of this special resolution, be and is hereby authorised (subject to compliance with the requirements of the Company's constitutional documents and the Companies Act, each as presently constituted and as amended from time to time) to grant direct or indirect financial assistance, as contemplated in section 45 of the Companies Act, to a related or inter-related (as defined in section 1 of the Companies Act) company or corporation or to a member of a related or inter-related corporation or to a person related to any such company or corporation on such terms and conditions as the Board of directors of the Company deems fit."

The percentage of voting rights that will be required for this resolution to be adopted is more than 75% of the votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution. The voting instructions and shareholder rights remain unchanged and are detailed in the Group's 2016 integrated annual report on page 131.

Explanatory note

To the extent necessary under section 44 and 45 of the Companies Act, to authorise the Board of directors of the Company to provide financial assistance as contemplated under section 44 of the Companies Act in connection with the issuance of any securities issued or to be issued by the Company or any related or inter-related company and to authorise the Board of directors of the Company to provide financial assistance as contemplated under section 45 of the Companies Act to a related or inter-related (as defined in section 1 of the Companies Act) company or corporation or to a member of a related or inter-related corporation or to a person related to any such company or corporation.

The Board will not authorise any financial assistance in terms of the above unless it has considered and is satisfied that:

- I. considering all reasonably foreseeable financial circumstances of the Company at that time, the Company will, immediately after providing the financial assistance to related or inter-related companies, satisfy the solvency and liquidity test as required in terms of the Companies Act;
- II. the terms under which any financial assistance is proposed to be given are fair and reasonable to the Company; and
- III. any conditions or restrictions in respect of the granting of any financial assistance as set out in the Company's memorandum of incorporation have been met.

This general authority is necessary for the Company to continue making loans to subsidiaries as well as granting letters of support and guarantees in appropriate circumstances. A general authorisation from shareholders avoids the need to refer each instance to shareholders for approval with the resulting time delays and expense. If approved, this general authority will expire at the end of two years. It is, however, the intention to renew the authority annually at the annual general meeting.

Notifications

Shareholders are hereby notified in terms of section 45(5) of the Companies Act that the Board has passed the same resolution to take effect on the passing of this special resolution by shareholders.

Shareholders are also advised that the Board is satisfied that after providing the financial assistance, the Company will satisfy the solvency and liquidity tests and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

ADDITIONAL INFORMATION

The following additional information, some of which may appear elsewhere in the integrated report, is provided in terms of the JSE Listings Requirements for purposes of the general authority to repurchase the Company's shares set out in special resolution number 1:

- directors and management – pages 38 and 39
- major shareholders – page 14
- directors' interests in ordinary shares – page 113
- share capital of the Company – page 93
- material change – there were no material changes in the integrated report
- responsibility statement – page 60

DIRECTORS' RESPONSIBILITY STATEMENT

The directors in office, whose names appear on pages 38 and 39 of the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 1 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by the JSE Listings Requirements.

MATERIAL CHANGES

Other than the facts and developments reported on in the integrated report, there have been no material changes in the affairs or financial position of the Company and its subsidiaries since the Company's financial year-end and the date of signature of the integrated report.

ELECTRONIC PARTICIPATION

Should any shareholder of the Company wish to participate in the AGM by way of electronic participation, that shareholder shall be obliged to make application in writing (including details as to how the shareholder or its representative can be contacted) to so participate, to the transfer secretaries at the applicable address set out in

the next paragraph at least 5 (five) business days prior to the AGM. Shareholders who wish to participate in the meeting by dialling in must note that they will not be able to vote electronically. Should such shareholders wish to have their votes counted at the meeting, they are welcome to cast their votes via representation at the meeting either by proxy or by letter of representation, as provided for in this notice of AGM. The costs of accessing any means of electronic participation provided by the Company will be borne by the shareholder so accessing the electronic participation. The Company cannot be held liable for any loss, damage, penalty or claim arising in any way from the use of the telecommunication facility whether or not as a result of any act or omission on the part of the Company or anyone else.

RECORD DATES, PROXIES AND VOTING

In terms of section 59(1)(a) and (b) of the Act, the Board of the Company has set the record date for the purpose of determining which shareholders are entitled to:

- receive notice of the AGM (being the date on which a shareholder must be registered in the Company's securities register in order to receive notice of the AGM) as Friday, 12 August 2016;
- participate in and vote at the AGM (being the date on which a shareholder must be registered in the Company's securities register in order to participate in and vote at the AGM) as Friday, 14 October 2016; and
- the last day to trade in order to participate and vote at the AGM is Tuesday, 11 October 2016.

Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration, and who are entitled to attend, participate in and vote at the AGM, are entitled to appoint a proxy to attend, speak and vote in their stead. A proxy need not be a shareholder and shall be entitled to vote on a show of hands or poll. It is requested that proxy forms be forwarded so as to reach the transfer secretaries, Computershare Investor Services 2004 (Pty) Limited (70 Marshall Street, corner Sauer Street, Johannesburg, 2001, PO Box 61051, Marshalltown, 2107), by not later than 48 (forty-eight) hours before the commencement of the AGM. If shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration, and who are entitled to attend, participate in and vote at the AGM do not deliver proxy forms to the transfer secretaries by the relevant time, such shareholders will nevertheless be entitled to lodge the form of proxy in

Notice of annual general meeting

(continued)

respect of the AGM immediately prior to the AGM, in accordance with the instructions therein, with the chairman of the AGM.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own-name" registration, should contact their CSDP or broker in the manner and within the time stipulated in the agreement entered into between them and their CSDP or broker:

- to furnish them with their voting instructions; or
- in the event that they wish to attend the AGM, to obtain the necessary letter of representation to do so. If unable to attend the AGM, the letter of representation to allow the chairman of the meeting to vote on behalf of the shareholder.

On a show of hands, every shareholder present in person or represented by proxy and entitled to vote shall have only one vote irrespective of the number of shares such shareholder holds. On a poll, every shareholder present in person or represented by proxy and entitled to vote, shall

be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by such shareholder bears to the aggregate amount of the nominal value of all shares issued by the Company.

VOTING

For the purpose of resolutions proposed in terms of the JSE Listings Requirements wherein any votes are to be excluded from that resolution, any proxy given by a holder of securities to the holder of such an excluded vote shall be excluded from voting for the purposes of that resolution.

By order of the Board

Claire Middlemiss

iThemba Governance and Statutory Solutions Proprietary Limited

Group Secretary

22 July 2016

Annual general meeting – Explanatory notes

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

At the AGM, the directors must present the annual financial statements for the year ended 29 February 2016 to shareholders, together with the reports of the directors, the audit and risk committee and the auditors. These are contained within the integrated annual report.

Ordinary resolutions 1.1 to 1.2: Re-election of directors

One-third of the non-executive directors are required to retire at each AGM in accordance with the Company's MOI and may offer themselves for re-election. In addition, any person appointed to the Board of directors following the previous AGM is similarly required to retire and is eligible for re-election at the next AGM.

The following directors are eligible for re-election:

Dr NM Phosa

Mr VW Mcobothi

Brief biographical details of each of the above directors and the remaining members of the Board are contained on pages 38 and 39 of the integrated annual report of which this notice forms part.

Ordinary resolution 2.1 to 2.3: Appointment of members of the audit and risk committee

In terms of section 94(2) of the Act, a public company must at each AGM elect an audit and risk committee comprising at least three members who are directors and who meet the criteria of section 94(4) of the Act. Regulation 42 to the Act specifies that one-third of the members of the audit and risk committee must have appropriate academic qualifications or experience in the areas as listed in the regulation. The Board of directors of the Company is satisfied that the proposed members of the audit and risk committee meet all relevant requirements.

Ordinary resolution 3: Reappointment of auditors

Baker Tilly SVG, and the individually registered auditor, Mr L Vroom, have indicated their willingness to continue in office and ordinary resolution 3 proposes the reappointment of that firm as the Company's auditors with effect from 1 March 2016. Section 90 of the Act requires the designated auditor to meet the criteria as set out in section 90(2) and (3) of the Act.

The Board of directors of the Company is satisfied that both Baker Tilly SVG and the designated auditor meet the relevant requirements.

Ordinary resolution 4: Approval of remuneration policy by way of a non-binding, advisory note

The King Report on Corporate Governance for South Africa 2009 recommends that the remuneration policy of the Company be submitted to shareholders for consideration and for an advisory, non-binding vote to provide shareholders with an opportunity to indicate should they not be in support of the material provisions of the remuneration policy of the Company.

Ordinary resolutions 5 and 6: Authority to directors to allot and issue unissued ordinary shares and issue shares for cash

In terms of the Act, the directors are authorised to allot and issue the unissued shares of the Company, unless otherwise provided in the Company's MOI or in instances as listed in section 41 of the Act. The JSE requires that the MOI should provide that shareholders in a general meeting may authorise the directors to issue unissued securities and/or grant options to subscribe for unissued securities as the directors in their discretion think fit, provided that such transaction(s) has/have been approved by the JSE and are subject to the JSE Listings Requirements. The directors confirm that there is no specific intention to issue any shares, other than as part of and in terms of the rules of the Company's share incentive scheme, as at the date of this notice. For this reason, the maximum number of unissued shares that may be issued by the directors in terms of this authority is limited to 10% of the number of issued shares as at 29 February 2016.

Also, in terms of the JSE Listings Requirements, the authority to issue shares for cash as set out in ordinary resolution 6 requires the approval of a 75% majority of the votes cast by shareholders present or represented by proxy at the AGM for ordinary resolution number 6 to become effective.

Ordinary resolution 7: Providing signing authority

Authority is required to do all such things and sign all documents and take all such action as necessary to implement the resolutions set out in the notice and approved at the AGM. It is proposed that the company secretary and/or director be authorised accordingly.

General shareholders and proxies attending the AGM on behalf of shareholders are reminded that section 63(1) of the Act requires that reasonably satisfactory identification be presented in order for such shareholder or proxy to be allowed to attend or participate in the meeting.

Annual general meeting – Explanatory notes

(continued)

Special resolution 1: Authority to directors to repurchase Company shares

Section 48 of the Act authorises the Board of directors of a company to approve the acquisition of its own shares subject to the provisions of section 48 and section 46 having been met. The JSE Listings Requirements require the shareholders of the Company to approve the authority to repurchase shares and the approval of a 75% majority of the votes cast by shareholders present or represented by proxy at the AGM for special resolution number 1 to become effective.

Special resolution 2: Approval of directors' remuneration

In terms of section 66(8) and section 66(9) of the Act, companies may pay remuneration to directors for their services as directors unless otherwise provided by the MOI and on approval of shareholders by way of a special

resolution. Executive directors are not specifically remunerated for their services as directors but as employees of the Company and as such, the resolution as included in the notice requests approval of the remuneration paid to non-executive directors for their services as directors of the Company. Proposed fees for the 2018 financial year have been included in the resolution for approval by shareholders.

Special resolution 3: Authority to provide financial assistance to any company or corporation which is related or inter-related to the Company

In terms of section 44 and 45 of the Act, companies may provide financial assistance to related companies. This is done in accordance with schedule 4 of the Act, after taking into consideration the solvency and liquidity of the Company and Board approval, as required.

Form of proxy



Value Group Limited
 Incorporated in the Republic of South Africa Registration number 1997/002203/06
 ("Value" or "the Company" or "the Group")
 JSE share code: VLE ISIN code: ZAE000016507

FORM OF PROXY FOR THE ANNUAL GENERAL MEETING TO BE HELD IN THE VALUE BOARDROOM, VALUE CITY, ESSEX ROAD, TUNNEY, GERMISTON, ON WEDNESDAY, 19 OCTOBER 2016 AT 10:00

TO BE COMPLETED BY CERTIFICATED SHAREHOLDERS AND DEMATERIALISED SHAREHOLDERS WITH "OWN-NAME" REGISTRATION ONLY

Holders of dematerialised ordinary shares other than "own name" registration must inform their CSDP or broker of their intention to attend the annual general meeting and request their CSDP to issue them with the necessary authorisation to attend the annual general meeting in person or provide their CSDP or broker with their voting instructions should they not wish to attend the annual general meeting in person but wish to be represented thereat.

I/We _____

(please print)

of (address) _____

being the registered holder(s) of _____ ordinary shares in the capital of the Company do hereby appoint

1. _____ or, failing him/her,

2. _____ or, failing him/her,

the chairman of the annual general meeting as my/our proxy to act for me/us and on my/our behalf at the annual general meeting of the Company which will be held on Wednesday, 19 October 2016 at 10:00 and at any adjournment thereof for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name/s, in accordance with the following instructions:

Ordinary resolutions	For	Against	Abstain
1. Approval of re-election of directors			
1.1 Dr NM Phosa			
1.2 Mr VW Mcobothi			
2. Approval of election of audit and risk committee members:			
2.1 Mr IM Groves (Chairman)			
2.2 Mr VW Mcobothi*			
2.3 Mr CD Stein			
* Subject to re-election as a director pursuant to ordinary resolution number 1.2			
3. Approval of reappointment of external auditor			
4. Approval of the remuneration policy by way of a non-binding advisory vote			
5. Approval of general authority to directors to allot and issue authorised but unissued ordinary shares			
6. Approval of authority to allot and issue shares for cash			
7. Approval of signing authority			
Special resolutions			
1. Approval of general authority to acquire (repurchase) Company shares			
2. Approval of the remuneration of the non-executive directors			
3. Authority to provide financial assistance to any company or corporation which is related or inter-related to the Company.			

Please indicate with an "X" in the appropriate spaces provided above how you wish your vote to be cast. If no indication is given, the proxy will be entitled to vote or abstain as he/she deems fit.

Signed at _____ on _____ 2016

Full name(s) _____ (in block letters)

Signature _____ Date _____

Assisted by me (where applicable) _____

Notes to form of proxy and summary of applicable rights established by section 58 of the Companies Act 2008 (“the Act”)

1. An ordinary shareholder holding dematerialised shares by “own name” registration, or who holds shares that are not dematerialised, is entitled to appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders’ meeting on behalf of the shareholder. Such ordinary shareholder may insert the name of a proxy or the names of two alternative proxies of the ordinary shareholder’s choice in the space provided, with or without deleting “the chairman of the annual general meeting”, provided that any such deletion must be signed in full by the shareholder.

The person whose name stands first on the proxy form and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. Should a proxy not be specified, this will be exercised by the chairman of the annual general meeting. A proxy need not be a shareholder of the Company.
2. All resolutions put to the vote shall be decided by way of a poll. An ordinary shareholder is entitled on a poll, to 1 (one) vote per ordinary share held. An ordinary shareholder’s instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the ordinary shareholder in the appropriate box(es). An “X” in the appropriate box indicates the maximum number of votes exercisable by that shareholder. Failure to comply with the above will result in the proxy not being authorised to vote or to abstain from voting at the annual general meeting in respect of the shareholder’s votes, except in the case where the chairman of the annual general meeting is the proxy. An ordinary shareholder or his/her proxy is not obliged to use all the votes exercisable by the ordinary shareholder, or to cast all those votes exercised in the same way, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the ordinary shareholder.
3. A proxy appointment must be in writing, dated and signed by the relevant shareholder.
4. Any alteration or correction made to this form of proxy must be signed in full and not initialled by the signatory.
5. Documentary evidence establishing the authority of a person signing the proxy form in a representative capacity must be attached to this form, unless previously recorded by the Company or waived by the chairman of the annual general meeting.
6. A minor must be assisted by his/her parent/guardian and the relevant documentary evidence establishing his/her legal capacity must be attached to this form of proxy unless previously recorded by the Company or waived by the chairman of the annual general meeting.
7. When there are joint holders of shares, any one holder may sign the proxy form.
8. The chairman of the annual general meeting may reject or accept any proxy form which is completed and/or received other than in compliance with these notes.
9. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person other than the chairman of the annual general meeting.
10. The appointment of a proxy or proxies:
 - a. is suspended at any time to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
 - b. is revocable in which case the shareholder may revoke the proxy appointment by:
 - i. cancelling it in writing or making a later inconsistent appointment of a proxy; and
 - ii. delivering a copy of the revocation instrument to the Company.
11. Should the instrument appointing a proxy or proxies have been delivered to the Company, as long as the appointment remains in effect, any notice that is required by the Companies Act or the Company’s memorandum of incorporation to be delivered by such company to the shareholder, must be delivered by such company to:
 - a. the shareholder; or
 - b. the proxy or proxies, if the shareholder has directed the Company to do so in writing and has paid any reasonable fee charged by the Company for doing so.
12. The proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
13. It is requested that this proxy form should be completed and returned to the Company’s transfer secretaries, Computershare Investor Services (Pty) Ltd, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), so as to reach them by not later than Monday 17 October 2016 at 10.00.

ADDITIONAL FORMS OF PROXY ARE AVAILABLE FROM THE TRANSFER SECRETARIES ON REQUEST.

GRI content index

	INDICATOR	DESCRIPTION	PAGE NO./ REFERENCE	
STRATEGY AND ANALYSIS	G4-1	Statement about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability.	10 and 46	
	G4-3	Name of the organisation.	Front cover	
ORGANISATIONAL PROFILE	G4-4	Primary brands, products, and services.	4, 5 and 8	
	G4-5	Location of the organisation's headquarters.	Corporate information	
	G4-6	Number and names of countries where the organisation operates.	6	
	G4-7	Nature of ownership and legal form.	8	
	G4-8	Markets served	4 and 5	
	G4-9	Scale of the organisation, including:		
		• Total number of employees		26
		• Total number of operations		8
		• Net sales		17
		• Total capitalization in terms of debt and equity		20
	G4-9	• Quantity of services provided		4, 5 and 8
		Total number of employees by employment contract, employment type, region, self-employment/contractors, gender.		26 and 27
	G4-10	Significant variations in employment numbers.		27
	G4-11	Percentage of total employees covered by collective bargaining agreements.		30
	G4-12	Organisation's supply chain.		7
	G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain.		114
G4-14	Precautionary approach addressed by the organisation.		10	
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes.		The King III code of governance principles, DTI codes of good practice	
G4-16	Memberships of associations. <ul style="list-style-type: none"> • National bargaining Council for the Road Freight and Logistics Industry • Road Freight Association • The South African Association of Freight Forwarders 			

GRI content index

(continued)

	INDICATOR	DESCRIPTION	PAGE NO./ REFERENCE
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES	G4-17	Entities included in the organisation's consolidated financial statements.	8
	G4-18	Process for defining the report content and the Aspect Boundaries.	10
	G4-19	List of all material Aspects	10
	G4-20	Aspect Boundaries within the organisation.	10
	G4-21	Aspect Boundaries outside the organisation.	n/a
	G4-22	Effect of any restatements of information provided in previous reports.	23
	G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	n/a
STAKEHOLDER ENGAGEMENT	G4-24	A list of stakeholder groups engaged by the organisation.	12 and 13
	G4-25	Basis for identification and selection of stakeholders with whom to engage.	12 and 13
	G4-26	Organisation's approach to stakeholder engagement.	12 and 13
	G4-27	Key topics and concerns that have been raised through stakeholder engagement.	12 and 13
REPORT PROFILE	G4-28	Reporting period for information provided.	Front cover
	G4-29	Date of most recent previous report.	Integrated annual report for the year ended 28 February 2015, published on 7 August 2015
	G4-30	Reporting cycle.	10
	G4-31	Contact point for questions regarding the report.	Corporate information
	G4-32	The 'in accordance' option the organisation has chosen.	Core disclosures used but not stated as being 'in accordance'
	G4-33	The organisation's policy and current practice with regard to seeking external assurance for the report.	10
GOVERNANCE	G4-34	Governance structure of the organisation and committees responsible for decision-making on economic, environmental and social impacts.	50 to 57

		INDICATOR	DESCRIPTION	PAGE NO./ REFERENCE
MATERIAL ASPECTS	ETHICS AND INTEGRITY	G4-56	Organisation's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	3 and 33
		SPECIFIC STANDARD DISCLOSURES		
	ECONOMIC PERFORMANCE	G4-DMA	Generic Disclosures on Management Approach	16
		G4-EC1	Direct economic value generated and distributed	16
	ENERGY	G4-DMA	Generic Disclosures on Management Approach	22
		G4-EN3	Energy consumption within the organisation	22 and 23
		G4-EN6	Reduction of energy consumption	22 and 23
	EMPLOYMENT	G4-DMA	Generic Disclosures on Management Approach	24
		G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	28
		G4-LA2	Benefits provided to full-time employees.	33
	LABOR/MANAGEMENT RELATIONS	G4-DMA	Generic Disclosures on Management Approach	30
		G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	29

GRI content index

(continued)

INDICATOR		DESCRIPTION	PAGE NO./ REFERENCE
MATERIAL ASPECTS OCCUPATIONAL HEALTH AND SAFETY	G4-DMA	Generic Disclosures on Management Approach	30
	G4-LA6	Type of injury and rates of injury.	31
MATERIAL ASPECTS TRAINING AND EDUCATION	G4-DMA	Generic Disclosures on Management Approach	31
	G4-LA9	Average hours of training per year per employee by gender, and by employee category	32
	G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees.	31
	G4-LA11	Employees receiving regular performance and career development reviews	32

King III application summary

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 1: ETHICAL LEADERSHIP AND CORPORATE CITIZENSHIP		
<p>Principle 1.1: The Board should provide effective leadership based on an ethical foundation.</p>	<p>The Board is responsible for corporate governance and determining the Group's strategic direction. Decisions, deliberations and actions are based on the Group's ethical values and principles. The integrated annual report provides further detail on how the Board has discharged its responsibilities in 2016.</p>	<p>The effective leadership is reflected throughout the integrated annual report in areas such as the chairman's report (page 40) and the combined Chief executive officer and financial director reports (page 42), stakeholder engagement (page 12) and the corporate governance report (page 50).</p>
<p>Principle 1.2: The Board should ensure that the Company is and is seen to be a responsible corporate citizen.</p>	<p>The integrated annual report outlines the Group's performance. With the strategic direction provided by the Board, the Group seeks to protect, enhance and invest in the wellbeing of the economy, society and the environment. The social and ethics committee ensures that the Group formulates collaborative responses to sustainability challenges.</p>	<p>There is a continued focus on sustainability and CSI initiatives. Refer to the sustainability report (pages 16 to 35).</p>
<p>Principle 1.3: The Board should ensure that the Company's ethics are managed effectively.</p>	<p>The Board ensures that the Group's ethical standards are clearly articulated and supported as an integral part of conducting business. The ethical standards guiding the Group's relationship with stakeholders are governed by the Group's code of conduct. Ethical standards of the Group are integrated into all the Group's strategies and operations. Internal audit annually assesses the Group's ethical performance and provides reports to the audit and risk and social and ethics committees.</p>	<p>Corporate governance report (page 50) Audit and risk committee report (page 62).</p>
CHAPTER 2: BOARD AND DIRECTORS		
<p>Principle 2.1: The Board should act as the focal point for and custodian of corporate governance.</p>	<p>The Board has a charter setting out its role, powers and responsibilities both in terms of the latest governance developments as well as the requirements for its composition, meeting procedures and work plan.</p>	<p>Corporate governance report (page 50) Chairman's report (page 40).</p>
<p>Principle 2.2: The Board should appreciate that strategy, risk, performance and sustainability are inseparable.</p>	<p>The Board is active in informing the strategy of the Group, ensuring appropriate alignment with the purpose and mandate of the Group. The Board appreciates that strategy, risk, performance and sustainability are inseparable.</p>	<p>Integrated annual report presented.</p>

King III application summary

(continued)

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 2: BOARD AND DIRECTORS <i>(continued)</i>		
Principle 2.3: The Board should provide effective leadership based on an ethical foundation.	The Board is responsible for corporate governance and determining the Group's strategic direction. Decisions, deliberations and actions are based on the Group values. The integrated annual report provides further detail on how they have discharged their responsibilities in 2016.	The values are discussed in the 2016 integrated annual report and these are led by the Board.
Principle 2.4: The Board should ensure that the Company's ethics are seen to be a responsible corporate citizen.	The integrated annual report outlines the Group's performance with regards to sustainability. With the strategic direction provided by the Board the Group seeks to protect, enhance and invest in the wellbeing of the economy, society and the environment. The social and ethics committee ensures that the Group formulates collaborative responses to sustainability challenges, which is overseen by the Board.	Refer to Principles 2.1 and 2.3.
Principle 2.5: The Board should ensure that the Company's ethics are managed effectively.	The management of ethics within the Group forms an important aspect of the Board's focus and responsibility and is closely monitored at each meeting of the social and ethics committee.	Corporate governance report (page 50) Audit and risk committee report (page 62).
Principle 2.6: The Board should ensure that the Company has an effective and independent audit committee.	An effective and independent audit and risk committee is in place. The committee's terms of reference outline the roles, powers, responsibilities and membership. Three independent non-executive members have been elected as members of the audit and risk committee at the recent annual general meeting. The committee is also chaired by an independent non-executive director.	Corporate governance report (page 50) Audit and risk committee report (page 62).
Principle 2.7: The Board should be responsible for the governance of risk.	The audit and risk committee assist the Board in executing its responsibility in terms of the governance of risk. The committee's terms of reference outline the responsibilities, members and work plan. The Board had recently adopted the 2015/2016 risk management policy and plan. In addition the top risks of the Company are considered at each quarterly board meeting.	Corporate governance report (page 50) Audit and risk committee report (page 62).
Principle 2.8: The Board should be responsible for information technology (IT) governance.	The board charter requires the Board to assume responsibility for IT governance. The Board has delegated responsibility to the audit and risk committee for overseeing same. The Chief information officer (CIO) presents a status report on IT applications and development and on the IT infrastructure department at each quarterly meeting of the audit and risk committee.	Corporate governance report (page 50) and board charter.

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 2: BOARD AND DIRECTORS <i>(continued)</i>		
Principle 2.9: The Board should ensure that the Company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	The audit and risk committee assists the Board in ensuring that a relevant compliance framework is maintained and that applicable laws and regulations are complied with. A legal compliance policy has been adopted by the Board and a legal and compliance report is presented at each quarterly board meeting.	Corporate governance report (page 50).
Principle 2.10: The Board should ensure that there is an effective risk-based internal audit.	An effective risk-based internal audit function is in place. Annually internal audit expresses an opinion which is presented to the audit and risk committee over the operational methodologies and plans.	Audit and risk committee report (page 62).
Principle 2.11: The Board should appreciate that stakeholders' perceptions affect the Company's reputation.	Stakeholders perceptions and the potential effect that it may have on the reputation of the Group is appreciated and focused on by the Board. A Board-endorsed stakeholder engagement process has been adopted across the business.	Stakeholder engagement (page 12).
Principle 2.12: The Board should ensure the integrity of the Company's integrated report.	The Board approves the integrated report after satisfying itself with respect to the accuracy and integrity of the report, on recommendation from the audit and risk committee.	Refer to Principle 9.1 and the integrated annual report (page 60).
Principle 2.13: The Board should report on the effectiveness of the Company's system of internal controls.	Annually internal audit reviews the overall effectiveness of the Group's systems of financial control and presents its opinion to the audit and risk committee and the Board. The Board in turn obtains assurance and reports on the effectiveness of the Group's systems of internal control on an annual basis.	Corporate governance report (page 50) Audit and risk committee report (page 62).
Principle 2.14: The Board and its directors should act in the best interests of the Company.	The Board and directors are cognisant of their fiduciary and other duties and responsibilities under the Companies Act and King III. Directors are required to exercise objective judgement and there is a Board agreed process through which directors are permitted to take independent advice. The Board acts in the best interests of the Group by ensuring that individual directors: <ul style="list-style-type: none"> • adhere to legal standards of conduct as set out in the Companies Act. • exercise their fiduciary duties with the best interest of the Group at heart. • disclose real or perceived conflicts to the Board and deal with them accordingly. • deal in securities only in accordance with the policy adopted by the Board. 	Corporate governance report (page 50).

King III application summary

(continued)

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 2: BOARD AND DIRECTORS <i>(continued)</i>		
<p>Principle 2.15: The Board should consider business rescue proceedings or other turnaround mechanisms as soon as the Company is financially distressed as defined in the Act.</p>	<p>The Board is apprised of the Group's going- concern status at the interim and full year meetings. The Board monitors the solvency and liquidity of the Company on a regular basis. This enables the Board to consider business rescue should the Group become financially distressed.</p>	<p>Corporate governance report (page 50).</p>
<p>Principle 2.16: The Board should elect a chairman of the Board who is an independent non-executive director. The CEO of the Company should not also fulfil the role of chairman of the Board.</p>	<p>The chairman of the Board is an experienced independent non-executive director, free of conflict upon appointment and is elected annually by the Board. The Chief executive officer does not fulfil this function. The CEO and chairman's roles are separate. The board charter prescribes that a lead independent director be appointed in the event that the chair is not independent. The board charter formalises the role of the chair and his performance is assessed annually.</p>	<p>Corporate governance report (page 50).</p>
<p>Principle 2.17: The Board should appoint the Chief executive officer and establish a framework for the delegation of authority.</p>	<p>The Board appointed the CEO and provides input into senior management appointments who function in terms of an approvals framework wherein the Board defines its own levels of materiality and delegates functions of management appropriately.</p>	<p>Corporate governance report (page 50).</p>
<p>Principle 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.</p>	<p>The majority of Board members are independent non-executive directors. Directors are appointed through a formal process and the knowledge, skills and resources required by the Board are considered. The size and diversity of the Board allows for the Board to conduct its business effectively. The CEO and CFO are executive directors of the Board.</p>	<p>Board of directors (pages 38 and 39) Corporate governance report (page 50).</p>
<p>Principle 2.19: Directors should be appointed through a formal process.</p>	<p>Appointments to the Board are a matter for the consideration of the Board as a whole and are made in a formal and transparent manner. In this process, the Board is assisted by the nominating and governance committee, acting under the guidance of the chair of the Board, which is tasked with developing and recommending to the Board criteria for selection of candidates to serve on the Board and assisting the Board with identifying and evaluating suitable nominees to recommend to shareholders for election. All appointments comply with the requirements of the Companies Act and the Group's memorandum of incorporation. Non-executive directors are formally appointed with a letter of appointment.</p>	<p>Board of directors (pages 38 and 39) Corporate governance report (page 50).</p>

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 2: BOARD AND DIRECTORS <i>(continued)</i>		
Principle 2.20: The induction of and on-going training and development of directors should be conducted through formal processes.	The nominating and governance committee ensures that new directors undergo an appropriate induction process and recommends to the chairman of the Board the need for Board participation in continued education programs.	Corporate governance report (page 50).
Principle 2.21: The Board should be assisted by a competent, suitably qualified and experienced company secretary	A competent and experienced company secretary, who is not a director of the Group, is in place and whom the Board believes is suitably qualified and experienced to fulfil her functions in assisting the Board and committees appropriately and on an objective, arm's length basis. The appointment and functions of the company secretary are in line with the requirements of the Companies Act.	Corporate governance report (page 50).
Principle 2.22: The evaluation of the Board, its committees and the individual directors should be performed every year.	The board charter requires the Board to conduct annual evaluations of its performance against its roles and responsibilities, as well as that of individual directors. Each committee evaluates its own performance and the nominating and governance committee monitors and reports to the Board periodically on the performance of the committees. An overview of this process is disclosed in the Group's integrated annual report.	Corporate governance report (page 50).
Principle 2.23: The Board should delegate certain functions to well-structured committees but without abdication of its own responsibilities.	The following Board and statutory committees are in place: <ul style="list-style-type: none"> • audit and risk • remuneration and nominations • social and ethics All Board and statutory committees operate under formal terms of reference, which are reviewed annually, setting out the roles, powers and responsibilities of each committee. The committee chairpersons report back to the Board after each meeting. The composition of each committee, as well as a description of its terms of reference, is disclosed in the integrated annual report.	Corporate governance report (page 50).

King III application summary

(continued)

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 2: BOARD AND DIRECTORS <i>(continued)</i>		
<p>Principle 2.24: A governance framework should be agreed between the Group and its subsidiary Boards.</p>	<p>The Board of directors recognises the statutory and fiduciary duties of the directors of subsidiary companies and in particular their duty to act in the best interests of the subsidiary company at all times. The Board and management are cognisant that the Group must comply with the listings requirements of the JSE Limited. Particular regard is given to the trading of securities, closed periods and managing price sensitive information. Where appropriate, the adoption and implementation of policies and procedures of the Group in the operations of subsidiary companies should be a matter for the Board of the subsidiary company to consider and approve.</p>	<p>Referenced in roles and responsibilities of senior management and directors of the subsidiaries. Also refer to the board charter confirming that the governance framework is in place.</p>
<p>Principle 2.25: Companies should remunerate directors and executives fairly and responsibly.</p>	<p>A remuneration and nominations committee is in place and assists the Board in ensuring the Group's remuneration policy is aligned with the strategy and goals. The committee also reviews and approves remuneration of executive directors and senior management, proposes non-executive fees, reviews participation in and detail of share-based and other long-term incentive schemes.</p>	<p>Corporate governance report (page 50) Remuneration report (page 129).</p>
<p>Principle 2.26: Companies should disclose the remuneration of each individual director and certain senior executives.</p>	<p>Details of the remuneration for all directors and prescribed officers of the Group is disclosed, in accordance with the requirements of the Companies Act, the listings requirements of the JSE Limited and King III.</p>	<p>Annual financial statements (pages 96 and 97) Remuneration report (page 129).</p>
CHAPTER 3: AUDIT COMMITTEE		
<p>Principle 3.1: The Board should ensure that the Company has an effective and independent audit committee.</p>	<p>The Group has an audit and risk committee comprising at least three independent, non-executive directors who were nominated by the remuneration and nominations committee and elected at the annual general meeting by the shareholders. The audit and risk committee has clear terms of reference, approved by the Board, which complies with section 94 of the Companies Act and King III.</p>	<p>Corporate governance report (page 50) Audit and risk committee report (page 62).</p>

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 3: AUDIT COMMITTEE <i>(continued)</i>		
<p>Principle 3.2: Audit committee members should be suitably skilled and experienced independent non-executive directors.</p>	<p>The audit and risk committee is annually evaluated by the Board, and collectively has a good understanding of the integrated reporting, internal financial controls, the external and internal audit process, corporate law, risk management, sustainability issues, information technology governance, the governance processes within the Group and are also financially literate.</p>	<p>Board of directors (pages 38 and 39) Corporate governance report (page 50) Audit and risk committee report (page 62).</p>
<p>Principle 3.3: The audit committee should be chaired by an independent non-executive director.</p>	<p>The audit and risk committee is chaired by an independent non-executive director, namely Mr Mike Groves.</p>	<p>Corporate governance report (page 50) Audit and risk committee report (page 62).</p>
<p>Principle 3.4: The audit committee should oversee integrated reporting.</p>	<p>The terms of reference of the audit and risk committee requires the committee to oversee, and take responsibility for the integrity of the integrated annual report and imposes suitable duties upon the committee to ensure that this is attended to. The review by the audit and risk committee includes not only the primary financial information, but also includes all relevant narrative information to present a balanced view of the Group's performance. The committee understands how the Board and the external auditor evaluate materiality for integrated reporting purposes.</p>	<p>Audit and risk committee report (page 62).</p>
<p>Principle 3.5: The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.</p>	<p>The terms of reference of the audit and risk committee requires the committee to ensure that an appropriate combined assurance model, is implemented to ensure that significant risks are addressed within the Group. The framework considers assurances provided by internal audit, external audit and specialist agencies.</p>	<p>Audit and risk committee report (page 62).</p>
<p>Principle 3.6: The audit committee should satisfy itself of the expertise, resources and experience of the Company's finance function.</p>	<p>The terms of reference of the audit committee requires the committee to annually review the appropriateness of the expertise and adequacy of the resources of the finance function and the experience of the senior members of management responsible for the financial function. The results of such a review are disclosed in the integrated report.</p>	<p>Audit and risk committee report (page 62) Audit and risk committee's terms of reference.</p>

King III application summary

(continued)

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 3: AUDIT COMMITTEE <i>(continued)</i>		
<p>Principle 3.7: The audit committee should be responsible for overseeing of internal audit.</p>	<p>The Chief audit executive (CAE) of the Group has been appointed and the Group has established an internal audit function, which appointment was sanctioned by the audit and risk committee. The terms of reference of the audit and risk committee require it to agree and approve the internal audit plan, evaluate the performance of the internal audit function, ensure that it is subject to an independent quality review, ensure that the internal audit function is adequately resourced and encourages cooperation between all assurance providers. The Group has an internal audit function that is independent and has the necessary resources, budget, standing and authority within the Group to discharge its functions. The audit and risk committee is responsible for the appointment, performance management and dismissal of the CAE. The committee ensures that the internal audit function is subjected to a quality review on a regular basis and the CAE reports functionally to the chair of the committee.</p>	<p>Audit and risk committee report (page 62).</p>
<p>Principle 3.8: The audit committee should be an integral component of the risk management.</p>	<p>The terms of reference of the audit and risk committee requires the committee to oversee the Group's risk management process and in particular, have regard to the financial reporting risks, internal financial controls, fraud risks and IT governance (including IT risks which relate to financial reporting).</p>	<p>Corporate governance report (page 50) Audit and risk committee report (page 62) Audit and risk committee's terms of reference.</p>
<p>Principle 3.9: The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process</p>	<p>The terms of reference of the audit and risk committee encapsulate the requirements of the Companies Act and details the committee's responsibilities in respect of the external auditor's nomination (for appointment by shareholders), the terms of engagement and remuneration, the policy for non-audit services, reportable irregularities and the quality and effectiveness of the external auditor.</p>	<p>Audit and risk committee report (page 62) Audit and risk committee's terms of reference.</p>
<p>Principle 3.10: The audit committee should report to the Board and shareholders on how it has discharged its duties.</p>	<p>The terms of reference of the audit committee require the committee to report to the Board on its statutory duties and the duties assigned to it by the Board at each board meeting. The audit and risk committee also reports to shareholders on how it has discharged its duties at the annual general meeting and a written report is included in the integrated annual report, which details the committee's responsibilities in respect of the external auditor's nomination (for appointment by shareholders), the terms of engagement and remuneration, the policy for non-audit services, reportable irregularities and the quality and effectiveness of the external auditor.</p>	<p>Corporate governance report (page 50) Audit and risk committee report (page 62) Audit and risk committee's terms of reference.</p>

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 4: THE GOVERNANCE OF RISK		
Principle 4.1: The Board should be responsible for the governance of risk.	The board charter establishes the Board's responsibility for risk governance and delegates the Group's risk management function to the audit committee. The terms of reference of the audit committee requires the committee to develop a policy and plan for a system and process of risk management, which is documented and approved by the Board on an annual basis. A revised risk-management policy was recently approved by the Board and has been implemented by management. The audit and risk committee regularly reviews the Group risk assessment and satisfies itself that the responses and mitigations are adequate.	Board charter material Sustainability issues and risks (pages 16 to 35) Corporate governance report (page 50) Audit and risk committee report (page 62).
Principle 4.2: The Board should determine the levels of risk tolerance.	The board charter requires the Board to set the Group's level of risk tolerance and limits for the Group's risk appetite on an annual basis and monitor same accordingly.	Board charter Corporate governance report (page 50) Audit and risk committee Report (page 62).
Principle 4.3: The risk committee or audit committee should assist the Board in carrying out its risk responsibilities.	The board charter establishes the Board's responsibility for risk governance and delegates the Group's risk management function to the audit and risk committee. The recommendations of King III in respect of the constitution of a risk committee are met by the audit and risk committee. The audit and risk committee ensures that the Group has implemented an effective policy and plan for risk, and that disclosure is comprehensive, timely and relevant. These activities are included in the committee's terms of reference and work plan.	Board charter Corporate governance report (page 50) Audit and risk committee report (page 62).
Principle 4.4: The Board should delegate to management the responsibility to design, implement and monitor the risk management plan.	The board charter and the terms of reference of the audit and risk committee delegates the development of the risk strategy to management through systems and processes. Management is accountable to integrating risk management into the daily activities of the Group.	Board charter Terms of reference of the audit and risk committee.
Principle 4.5: The Board should ensure that risk assessment is performed on a continual basis.	The terms of reference of the audit committee requires the committee to ensure that effective and on-going risk assessments are performed and that a systematic, documented, formal risk assessment is conducted regularly. Risk management is embedded in the Group's annual business planning cycle. A disciplined approach is followed in evaluating risks and developing appropriate mitigation strategies.	Terms of reference of the audit and risk committee.

King III application summary

(continued)

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 4: THE GOVERNANCE OF RISK <i>(continued)</i>		
Principle 4.6: The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks.	The terms of reference of the audit and risk committee requires the committee to ensure that the risk management framework and processes in place to implement same are adequate for the purpose of anticipating unpredicted risks. The Group has a risk policy in place, which outlines the process and methodologies for both identifying and monitoring risks.	Terms of reference of the audit and risk committee.
Principle 4.7: The Board should ensure that management considers and implements risk responses.	The terms of reference of the audit and risk committee requires the committee to ensure that management develops adequate risk responses and that these responses also identify opportunities which may exploited by the Group.	Terms of reference of the audit and risk committee.
Principle 4.8: The Board should ensure continual risk-monitoring by management.	The terms of reference of the audit and 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. The Group's risk policy outlines the process, responsibilities and methodologies for both identifying and monitoring risks. Progress of the Group in managing the risks is reported to the audit and risk committee.	Terms of reference of the audit and risk committee.
Principle 4.9: The Board should receive assurance regarding the effectiveness of the risk management process.	The audit and risk committee is required to ensure management provides assurance that the risk management plan is integrated into the daily activities of the Group and that internal audit provides a written assessment of the effectiveness of the system of internal controls and risk management to the Board. Regular reports are provided to the audit and risk committee and internal audit performs an annual review of the effectiveness of the system of internal controls and risk management.	Terms of reference of the audit and risk committee.
Principle 4.10: The Board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.	The audit and risk committee is required to disclose in the integrated report any undue, unexpected or unusual risks, as well as the Board's view on the effectiveness of the risk management process.	Terms of reference of the audit and risk committee.

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 5: THE GOVERNANCE OF INFORMATION TECHNOLOGY (IT)		
Principle 5.1: The Board should be responsible for information technology (IT) governance.	The Board is responsible for IT governance and understands the strategic importance of IT in achievement of the Group's strategic objectives. The board charter requires the Board to assume responsibility for IT governance. The Board has delegated responsibility to the audit and risk committee for overseeing same. The terms of reference of the audit and risk committee requires it to ensure that an IT charter and suitable policies, including an internal control framework, is developed and an independent assessment of the effectiveness of IT controls is conducted on an annual basis.	Principle 2.8 The board charter.
Principle 5.2: IT should be aligned with the performance and sustainability objectives of the Company.	The IT strategy is integrated with the Group's strategic and business processes. IT and business plans are integrated, align IT with overall business operations and specify the IT value proposition.	Corporate governance report (page 50).
Principle 5.3: The Board should delegate to management the responsibility for the implementation of an IT governance framework.	The terms of reference of the audit and risk committee requires the committee to ensure that management is responsible for the implementation of the structures, processes and mechanisms for the IT governance framework. A governance framework has been implemented and includes alignment of IT to support the business strategy and operations, deliver value and manage performance, information security, managing IT risk and compliance, and business continuity management.	Terms of reference of the audit and risk committee.
Principle 5.4: The Board should monitor and evaluate significant IT investments and expenditure.	The terms of reference of the audit and risk committee requires the committee to oversee the value delivery of IT and monitor the return on investment from significant IT projects. In addition, the committee also ensures that processes are in place to protect the Group's information systems. The Group financial director reviews the reasonableness of future projects and reports it to the Board.	Terms of reference of the audit and risk committee.

King III application summary

(continued)

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
<p>CHAPTER 5: THE GOVERNANCE OF INFORMATION TECHNOLOGY (IT) <i>(continued)</i></p>		
<p>Principle 5.5: IT should form an integral part of the Company's risk management.</p>	<p>The terms of reference of the audit and risk committee requires the committee 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.</p>	<p>Terms of reference of the audit and risk committee.</p>
<p>Principle 5.6: The Board should ensure that information assets are managed effectively.</p>	<p>The terms of reference of the audit and risk committee requires the committee to ensure that systems are in place for the management of information which includes security, information management and privacy. An information management strategy is in place which monitors the management of assets. This includes the management of information security.</p>	<p>Terms of reference of the audit and risk committee.</p>
<p>Principle 5.7: A risk committee and audit committee should assist the Board in carrying out its IT responsibilities.</p>	<p>The terms of reference of the audit and risk committee requires the committee to ensure that IT risks are adequately addressed and that assurance is given to confirm that adequate controls are in place. The audit and risk committee regularly considers IT risks and controls, business continuity and data recovery related to IT, information security and privacy.</p>	<p>Corporate governance report (page 50) Terms of reference of the audit and risk committee.</p>
<p>CHAPTER 6: COMPLIANCE WITH LAWS, CODES, RULES AND STANDARDS</p>		
<p>Principle 6.1: The Board should ensure that the Company complies with applicable laws and considers adherence to non-binding rules, codes and standards.</p>	<p>Legislative and regulatory compliance is monitored by the head of Group legal. An analysis of current and pending legislation is presented at each meeting of the Board and the audit and risk committee. Value has adequate systems and functions in place to ensure that it complies with all applicable laws and any instances in respect of exceptions, shortcomings and proposed changes are managed by the Board.</p>	<p>Corporate governance report (page 50).</p>

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 6: COMPLIANCE WITH LAWS, CODES, RULES AND STANDARDS <i>(continued)</i>		
Principle 6.2: The Board and each individual director should have a working understanding of the effect of the applicable laws, rules, codes and standards of the Company and its business.	The directors appointed to the Board of Value are suitably skilled and experienced with regard to the applicable laws, rules, codes and standards on Value and its business. Processes are in place to ensure that the Board is continually informed of relevant laws, rules, codes and standards including any changes made.	Corporate governance report (page 50).
Principle 6.3: Compliance risk should form an integral part of the Company's risk management process.	Compliance risk forms an integral part of the Group's risk management process. Legislative and regulatory compliance is monitored by the head of Group legal. An analysis of current and pending legislation is presented at each meeting of the Board and the audit and risk committee. Through Value's risk management framework, the risk management function identifies, assesses and responds to compliance risks.	Corporate governance report (page 50).
Principle 6.4: The Board should delegate to management the implementation of an effective compliance framework and processes.	Compliance risk forms an integral part of the Group's risk management process. Legislative and regulatory compliance is monitored by the head of Group legal. An analysis of current and pending legislation is presented at each meeting of the Board and audit and risk committee, and an effective compliance framework provides the Board with assurances on the effectiveness of the controls and compliance with laws, rules, codes and standards.	Corporate governance report (page 50).
CHAPTER 7: INTERNAL AUDIT		
Principle 7.1: The Board should ensure that there is an effective risk based internal audit.	The role of internal audit is outlined in the terms of reference of the audit and risk committee as well as the internal audit charter. The annual internal audit plan is approved by the committee and addresses all the areas as recommended by King III. Value has established an internal audit function which the Board believes has adequate skills and resources to perform its prescribed role.	Corporate governance report (page 50) Audit and risk committee report (page 62) Terms of reference of the audit and risk committee.

King III application summary

(continued)

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 7: INTERNAL AUDIT <i>(continued)</i>		
<p>Principle 7.2: Internal audit should follow a risk based approach to its plan.</p>	<p>Internal audit is independent from management and follows a risk based audit plan by incorporation of the strategy and risks of the Group. Internal audit reporting meets the need and requirements of management and the audit and risk committee.</p>	<p>Corporate governance report (page 50).</p>
<p>Principle 7.3: Internal audit should provide a written assessment of the effectiveness of the Company's system of internal control and risk management.</p>	<p>Internal audit forms an integral part of the combined assurance model as the internal assurance provider providing an annual assessment to the audit and risk committee on the effectiveness of internal controls and risk management. The internal audit plan is also informed by the strategy and risks of Value.</p>	<p>Corporate governance report (page 50) Audit and risk committee report (page 62).</p>
<p>Principle 7.4: The audit committee should be responsible for overseeing internal audit.</p>	<p>The internal audit responsibilities are determined by the audit and risk committee's terms of reference . The CAE is appointed by the committee and reports functionally to the committee and administratively to the financial director of the Group. The CAE attends all audit and risk committee meetings and provides the meetings with a written assessment of the effectiveness of the governance, risk and control environment.</p>	<p>Audit and risk committee report (page 62) Terms of reference of the audit and risk committee.</p>
<p>Principle 7.5: Internal audit should be strategically positioned to achieve its objectives.</p>	<p>The internal audit function is independent and objective and reports functionally to the audit and risk committee. The committee reviews the resources and skills of the function on an annual basis to ensure it is adequate to address risk and assurance requirements.</p>	<p>Audit and risk committee report (page 62).</p>
CHAPTER 8: GOVERNING STAKEHOLDER RELATIONSHIPS		
<p>Principle 8.1: The Board should appreciate that stakeholders' perceptions affect a company's reputation.</p>	<p>The Board ensures that good relations are maintained with the Group's major and strategic stakeholders.</p>	<p>Stakeholder engagement (page 12).</p>
<p>Principle 8.2: The Board should delegate to management to proactively deal with stakeholder relationships.</p>	<p>A policy has not yet been established to manage relationships with stakeholder groups.</p>	<p>Stakeholder engagement (page 12).</p>

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 8: GOVERNING STAKEHOLDER RELATIONSHIPS <i>(continued)</i>		
Principle 8.3: The Board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the Company.	In exercising decisions in the best interests of the Group the board charter requires directors to consider the legitimate interests and expectations of its stakeholders.	Stakeholder engagement (page 12).
Principle 8.4: Companies should ensure the equitable treatment of shareholders.	In compliance with its responsibilities under the Companies Act and the listings requirements of the JSE Limited, the Board is cognisant of its duty to ensure that all shareholders are treated equitably. There is equitable treatment of all holders of the same class of shares issued, including minorities and between holders of different classes of shares in the Company.	Stakeholder engagement (page 12).
Principle 8.5: Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.	The Group provides complete, timely, relevant, accurate, honest and accessible information to its stakeholders whilst having regard to legal and strategic considerations. The degree of corporate transparency and communication is considered with reference to the Company stakeholder policies, relevant legal requirements and the maintenance of the Group's competitive advantage. No requests for information were withheld by the Group in terms of the Promotion of Access to Information Act, 2000.	Stakeholder engagement (page 12).
Principle 8.6: The Board should ensure disputes are resolved as effectively, efficiently and expeditiously as possible.	Dispute resolution clauses are included in contracts to deal with external disputes. Internal dispute processes include the human resource function.	Stakeholder engagement (page 12).

King III application summary

(continued)

PRINCIPLE	APPLICATION	FURTHER COMMENTS IF APPLICABLE
CHAPTER 9: INTEGRATED REPORTING AND DISCLOSURE		
Principle 9.1: The Board should ensure the integrity of the Company's integrated report.	The Board, assisted by the audit and risk committee, assumes responsibility for the integrated annual report and ensures that the report fairly represents the performance of the Group and ensures that there are controls in place to enable it to verify and safeguard the integrity of the integrated report. In addition, the audit and risk committee evaluates sustainability disclosures.	Integrated annual report (page 60) Audit and risk committee report (page 62).
Principle 9.2: Sustainability reporting and disclosure should be integrated with the Company's financial reporting	The integrated annual report includes the Group's summary of financial statements and commentary that allows the reader to contextualise the financial results by providing sufficient information on the key issues affecting the Group, its stakeholders and the community it operates in.	Sustainability reporting and disclosure have been integrated with the Group's financial reporting.
Principle 9.3: Sustainability reporting and disclosure should be independently assured.	The Group continues to refine its internal processes. Broad-based black economic empowerment has been selected for verification by an accredited specialists.	Sustainability report (pages 16 to 35).

Corporate information

VALUE GROUP LIMITED – REGISTERED OFFICE

Incorporated in the Republic of South Africa
Registration number 1997/002203/06
ISIN code ZAE000016507
Share code VLE
49 Brewery Road
Isando, 1600
PO Box 778
Isando, 1600

SPONSOR

Investec Bank Limited
Registration number 1969/004763/06
100 Grayston Drive
Corner Rivonia Road
Sandown, Sandton, 2196
PO Box 785700
Sandton, 2146

AUDITORS

Baker Tilly SVG
3rd Floor
35 Ferguson Road
Illovo, 2196
PO Box 821
Northlands, 2116

CENTRAL SECURITIES DEPOSITORY PARTICIPANT

Computershare Limited
Registration number 2000/006082/06
70 Marshall Street
Johannesburg, 2001
PO Box 62053
Marshalltown, 2107

TRANSFER SECRETARY

Computershare Investor Services Proprietary Limited
Registration number 2004/003647/07
70 Marshall Street
Johannesburg, 2001
PO Box 61051
Marshalltown, 2107

COMPANY SECRETARY

iThemba Governance and
Statutory Solutions Proprietary Limited
Monument Office Park
Block 5, Suite 102
79 Steenbok Avenue
Monument Park, 0105
PO Box 25160
Monument Park, 0105

The integrated annual report has been prepared under the supervision of Mr CL Sack CA(SA), the Group's financial director.

The consolidated and separate financial statements set out on pages 67 to 124 have been audited by Baker Tilly SVG in compliance with the Companies Act of South Africa.

For questions regarding this integrated annual report, contact the Group reporting officer, Ms K Moodley (011) 570 2281, kellenim@value.co.za

Date published: 5 August 2016.



www.value.co.za