

KING III COMPLIANCE REGISTER 2014

Principle #	Principles as taken from King III	<ul style="list-style-type: none"> • Applied • Partially Applied • Not Applied 	Action		
1.1	The Board should provide effective leadership based on an ethical foundation.	Applied	Mr Paul Jenkins is currently the executive chairman of MNY. He is a well respected and a highly regarded business leader. He has the support of a dedicated and experienced board. The board also has access to various professionals to supply them with technical knowledge.		
1.2	The Board should ensure that the company is and is seen to be, a responsible corporate citizen.	Applied	The board has tasked management with finding solutions to be a responsible corporate citizen and implementing these solutions.		
1.3	The Board should ensure that the company's ethics are managed effectively.	Applied	The audit committee addresses company risk and risks which are of concern are highlighted to the board. A social and ethics committee has been established and are tasked by the board to ensure the company's ethics are managed effectively.		
2.1	The Board should act as the focal point for and custodian of corporate governance	Applied	The board is responsible for the setting of corporate governance. An audit terms of reference has been developed and adopted and remuneration policies have been set. The board meets at least 4 times a year.		
2.2	The Board should appreciate that strategy, risk, performance and sustainability are inseparable	Applied	MNY has an active board that informs and approves strategy.		
2.3	The Board should provide effective leadership based on an ethical foundation	Applied	The majority of MNY board members have been with the company for a number of years, they are all respected business people in their respective fields, and are highly regarded by the business community. The Board ensures their and management's conduct sets an example.		
2.4	The Board should ensure that the company is, and is seen to be a responsible corporate citizen	Applied	The board constituted the social and ethics committee that comprises three independent non-executive directors. Part of their duties are to ensure that employment equity, transformation and codes of best practice are adhered to.		
2.5	The Board should ensure that the company's ethics are managed effectively.	Applied	The social and ethics committee has been delegated to fulfil this task, and it reports back to the board via their chairman.		
2.6	The Board should ensure that the company has an effective and independent audit committee	Applied	All three the audit committee members are independent non-executives.		
2.7	The Board should be responsible for the governance of risk	Applied	The board has set out in the audit charter that they remain responsible for the governance of risk. A risk matrix is made use of to track risks and their severity.		
2.8	The Board should be responsible for information technology (IT) governance	Partially Applied		A draft information and communication policy has been set up by management and the board is in the process of approving this.	
2.9	The Board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards	Applied	The board constituted the social and ethics committee that comprises three independent non-executive directors. The committee meets at least twice a year and is responsible for informing the board of changing legislation.		
2.10	The Board should ensure that there is an effective risk-based internal audit	Applied	Moneyweb will be making use of its holding company Caxton & CTP Publishers & Printers Limited's internal audit function.		
2.11	The Board should appreciate that stakeholders' perceptions affect the company's reputation	Applied	The board ensures that all stakeholders (shareholders, creditors, staff, SARS) are informed of any information relevant to them. Rules and regulations are complied with in an open and transparent manner.		
2.12	The Board should ensure the integrity of the company's integrated report	Applied	The audit committee reports back on their recommendations on the annual report and the board is afforded the opportunity to scrutinise and interrogate the information supplied. The annual report is approved by the board before release. The directors prepare information included in the annual report and are responsible for both the accuracy and consistency with the financial statements.		
2.13	The Board should report on the effectiveness of the company's system of internal controls	Applied	The board reports the company's system of internal controls and its effectiveness to shareholders in their statement of responsibility and approval by the board of directors in the annual report.		
2.14	The Board and its directors should act in the best interest of the company	Applied	The board is responsible to all stakeholders of the company. They have access to the audit and social and ethics committee as well as the company secretary. They are allowed to take independent advice in connection with their duties at company cost approved by the chairman of the board.		

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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 Companies Act, 71 of 2008.	Applied	The solvency and liquidity of the company is continuously monitored before material expenses are approved.		
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	Not Applied			The chairman is currently in an executive capacity.
2.17	The Board should appoint the chief executive officer and establish a framework for the delegation of authority	Partially complied		There is currently not a CEO at MNY, however the Board will appoint the CEO.	
2.18	The Board should compromise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent	Applied	<p>The MNY board presently comprises five independent non-executive directors, one non-executive director and two executive directors.</p> <p>The independence of non-executive directors is reviewed each year regardless of their length of service. Independence is maintained by ensuring that there are no material transactions between the directors and the company, no loan accounts or share transactions, nor any operational involvement in the company. Directors' interest registers are also completed at board meeting to ensure all interests are disclosed.</p>		
2.19	Directors should be appointed through a formal process	Applied	Appointments to the board are done in a formal and transparent manner and are a matter of deliberation by the board. In general the appointment of a nomination committee is not appropriate.		
2.2	The induction of and on-going training and development of directors should be conducted through formal processes	Partially Applied		The board is in the process of formalising a policy of formal training. Previously induction and training was performed on an ad hoc basis when the need arose.	
2.21	The Board should be assisted by a competent, suitably qualified and experienced company secretary	Applied	All directors have unlimited access to the advice and services of the company secretary, who is responsible to the board for ensuring that board procedures are followed. All directors are entitled to seek independent professional advice, at the group's expense, concerning the affairs of the group, after obtaining approval from the chairman. The board considers the skills, qualification and continued training of the company secretary on an annual basis. The company secretary is independent from the company, and has no investments in the company or relations within the company board, shareholders or management and remuneration is based on an arms length contract.		
2.22	The evaluation of the board, its committees and the individual directors should be performed every year	Partially Applied		A system of review is in place for the executive directors of the MNY board. There is no formal review process in place for the non-executive directors of the board. Non- performing board members are identified and reprimanded when instances of non- performance occur.	
2.23	The board should delegate certain functions to well-structured committees but without abdicating its own responsibilities	Partially Applied		Due to the size of the company and its subsidiaries no risk committee has been formally constituted but its responsibilities are performed by the audit, remuneration and social and ethics committees.	
2.24	A governance framework should be agreed between the group and its subsidiary boards	Partially Applied		The board is in the process of finalising the charters for the subsidiary boards. A remuneration committee charter has not been drafted. The social and ethics committee terms of reference has been approved and adopted by the board.	
2.25	Companies should remunerate directors and executives fairly and responsibly	Applied	The board mandated the remuneration committee to review and set fair remuneration packages.		
2.26	Companies should disclose the remuneration of each individual director and certain senior executives	Applied	The remuneration details of each director of MNY are disclosed in the annual report.		
2.27	Shareholders should approve the company's remuneration policy	Applied	Shareholders approve the non-executive director's remuneration via a special resolution at the annual general meeting each year.		
3.1	The Board should ensure that the company has an effective and independent audit committee	Applied	All three the audit committee members are independent non-executives.		

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3.2	Audit committee members should be suitably skilled and experienced independent non-executive directors	Applied	The audit committee comprises of three independent non-executive directors. They come from various backgrounds that cover most aspects of corporate governance. The audit committee members are re-appointed each year at the AGM. The members evaluate their own independence and skills set and are also reviewed by the board for independence and performance.		
3.3	The audit committee should be chaired by an independent non-executive director	Applied	The audit committee is chaired by an independent non-executive director who is not the chairman of the board and this is disclosed in the annual report.		
3.4	The audit committee should oversee integrated reporting	Applied	The audit committee reviews the annual report. They receive feedback from the auditors and also interrogate management on the disclosure and compilation of the annual report.		
3.5	The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.	Applied	The audit committee works closely with the independent auditor in ensuring that risks are identified and that sufficient comfort has been obtained that satisfy the auditors and the audit committee that the risk has been addressed.		
3.6	The audit committee should satisfy itself of the expertise, resources and experience of the company's finance function	Applied	The audit committee will satisfy itself of the expertise, skills and experience of the financial director on an annual basis. It also considers the appropriateness of the expertise and adequacy of the resources of the finance function and experience of the senior members of management responsible for the financial function on an annual basis.		
3.7	The audit committee should be responsible for overseeing of internal audit	Applied	Moneyweb will be making use of its holding company Caxton & CTP Publishers & Printers Limited's internal audit function. The audit committee will oversee the process.		
3.8	The audit committee should be an integral component of the risk management process	Partially Applied		Due to the size of the company and its subsidiaries no risk committee has been constituted but its responsibilities are performed by the audit, remuneration and social and ethics committees. The audit committee recommends new controls to be implemented based on their experience within other fields of business and risks that they have come across. The executive management do the same and feed possible risk and suggested controls to the audit committee. This ensures that the management of risk is dynamic and benefits from a wide field of knowledge.	
3.9	The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process	Applied	The audit committee meets with the auditor at the planning stage and receives feedback once the audit is completed. The audit committee reviews the independence of the auditor with reference to the services performed by them and the responsible senior staff responsible for planning and executing the audit. The audit committee will re-appoint the auditor should they be of the opinion that all criteria have been met.		
3.1	The audit committee should report to the board and shareholders on how it has discharged its duties	Applied	The audit committee reports on its duties and the results of decisions made in the annual report. The audit committee also reports back to board meetings.		
4.1	The board should be responsible for the governance of risk	Partially Applied		Neither the appointment nor the duties of any of the board subcommittees reduce the functions and duties of the board or the directors of the company. All charters are approved by the board of directors before they are implemented. A policy and plan for risk management is still to be developed.	
4.2	The board should determine the levels of risk tolerance	Applied	The board sets the risk parameters in an on-going process of identifying risk and assessing its impact on the group. This process starts at board level and filters down to all levels of management. The board has adopted a conservative approach within the available resource constraints.		
4.3	The risk committee or audit committee should assist the Board in carrying out its risk responsibilities	Partially Applied		Due to the size of the company and its subsidiaries no risk committee has been constituted but its responsibilities are performed by the audit, remuneration and social and ethics committees. The audit committee is responsible to identify and report risks, their possible impact and measures that have been taken to address these risks, to the board. This is done in a formal report-back session at main board level.	

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4.4	The Board should delegate to management the responsibility to design, implement and monitor the risk management plan	Applied	The board filters down its risk policies to management. Management reports back to the board on all aspects of their business including risk via board packs.		
4.5	The board should ensure that risk assessments are performed on a continual basis	Applied	Risk assessment forms part of the reports provided by management		
4.6	The Board should ensure that frameworks and methodologies are implemented to increase the profitability of anticipating unpredictable risks	Applied	The board sets standards for internal control aimed at reducing the risk for error or loss in a cost effective manner. The standards include the proper delegation of responsibility within a clearly defined framework, and effective accounting procedures.		
4.7	The Board should ensure that management considers and implements appropriate risk responses	Applied	The board sets standards for internal control aimed at reducing the risk for error or loss in a cost effective manner. The standards include the proper delegation of responsibility within a clearly defined framework and effective accounting procedures. These are constantly monitored.		
4.8	The Board should ensure continual risk monitoring by management	Applied	Risk assessment forms part of the reports provided by management to the board.		
4.9	The Board should receive assurance regarding the effectiveness of the risk management process	Applied	Management reports back to the board on the effectiveness of the controls managing risks.		
4.1	The board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders	Applied	Such processes are monitored on an on-going basis. Management reports these to the board.		
5.1	The Board should be responsible for information (IT) governance	Partially Applied		Due to the size of the company and its subsidiaries the assurance on the effectiveness of the IT controls is performed as part of the audit and is at a high level and no assurance is given by the auditor.	
5.2	IT should be aligned with the performance and sustainability objectives of the company	Applied	Business strategies and objectives and the role of IT in achieving them are clear.		
5.3	The Board should delegate to management the responsibility for the implementation of an IT governance framework	Applied	Management ensures IT governance is adhered to through the use of an external IT company with the necessary expertise and experience.		
5.4	The Board should monitor and evaluate significant IT investments and expenditure	Applied	The board will evaluate any IT projects that may be deemed significant by executive management.		
5.5	IT should form an integral part of the company's risk management	Partially Applied		IT risks are assessed, however a more detailed approach could be taken.	
5.6	The Board should ensure that information assets are managed effectively	Partially Applied		A draft information and communication policy has been set up by management and the board is in the process of approving this.	
5.7	A risk committee and audit committee should assist the board in carrying out its IT responsibilities	Partially Applied		Due to the size of the company and its subsidiaries no risk committee has been constituted but its responsibilities are performed by the audit committee. The audit committee ensures that the audit processes cover the IT environment each year.	
6.1	The Board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards	Applied	The social and ethics committee is tasked with overseeing legislation changes as well as compliance with applicable laws.		
6.2	The Board and each individual director should have a working understanding of the effect of the applicable law, rules, codes and standards on the company and its business	Partially Applied		The board is in the process of formalising a policy of formal training. Previously induction and training was performed on an ad hoc basis when the need arose.	
6.3	Compliance risk should form an integral part of the company's risk management process	Applied	Compliance to JSE listings regulations, companies act, labour relations act and all statutory compliance is assessed through various processes such as board reviews and annual audits.		
6.4	The Board should delegate to management the implementation of an effective compliance framework and process	Applied	Management is responsible for the management, training, continued education, professional development of its staff relating to risk and the compliance of regulations.		

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7.1	The board should ensure that there is an effective risk based internal audit	Applied	Moneyweb will be making use of its holding company Caxton & CTP Publishers & Printers Limited's internal audit function. The audit committee will oversee the process.		
7.2	Internal audit should follow a risk based approach to its plan	Applied	Moneyweb will be making use of its holding company Caxton & CTP Publishers & Printers Limited's internal audit function. The audit committee will oversee the process.		
7.3	Internal audit should provide a written assessment of the effectiveness of the company's system of internal control and risk management	Applied	Moneyweb will be making use of its holding company Caxton & CTP Publishers & Printers Limited's internal audit function. The audit committee will oversee the process.		
7.4	The audit committee should be responsible for overseeing internal audit	Applied	Moneyweb will be making use of its holding company Caxton & CTP Publishers & Printers Limited's internal audit function. The audit committee will oversee the process.		
7.5	Internal audit should be strategically positioned to achieve its objectives	Applied	Moneyweb will be making use of its holding company Caxton & CTP Publishers & Printers Limited's internal audit function. The audit committee will oversee the process.		
8.1	The Board should appreciate that stakeholder' perceptions affect a company's reputation	Applied	The executive chairman is responsible for managing the stakeholder relations at Group level.		
8.2	The board should delegate to management to proactively deal with stakeholder relationships	Applied	The executive directors and senior management are responsible for the strategy of the group and manage their stakeholder relations independently with learning experiences shared across the group.		
8.3	The Board should strive to achieve the appropriate balance between its stakeholder groupings, in the best interests of the company	Applied	The board ensures that all major decisions made are debated and all relevant information obtained to ensure that the best interests of the company and stakeholders are taken into account.		
8.4	Companies should ensure the equitable treatment of shareholders	Applied	There is only one class of share in issue and the Board ensures that minority shareholders are protected.		
8.5	Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence	Applied	The board communicates with its stakeholders as and when required through the mediums available to them, i.e SENS, publications and posted correspondence. Complete, timely, relevant, accurate, honest and accessible information is provided by the company to its stakeholders, whilst having regard to legal and strategic considerations.		
8.6	The board should ensure disputes are resolved as effectively , efficiently and expeditiously as possible	Applied	The company secretary is responsible for receiving disputes and resolving them by escalating the dispute to the relevant committee or board and provide formal feedback to the stakeholders. There have been no disputes registered during the period under review.		
9.1	The Board should ensure the integrity of the company's integrated report	Applied	The audit committee is responsible for oversight of the preparation of the integrated report and recommends the approval to the board. The board reviews the integrated report and approves the report once satisfying itself on the accuracy and validity of the information contained therein.		
9.2	Sustainability reporting and disclosure should be integrated with the company's financial reporting	Partially Applied		Sustainability reporting is in the process of being formalised.	
9.3	Sustainability reporting and disclosure should be independently assured	Not Applied			Sustainability reporting is in the process of being formalised. At this stage it will not be beneficial to have the report independently assured.