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**KING IV CODE REGISTER**

**2022**



### Zeda Limited

Incorporated in the Republic of South Africa

**Registration number:** 2022/493042/06

**JSE share code:** ZZD

**ISIN:** ZAE000315768

("Zeda Limited" or "the Company")

## Disclaimer

This statement contains forward-looking statements. All statements, other than statements of historical facts, including, among others, statements regarding our strategy, future financial position and plans, objectives, projected costs and anticipated cost savings and financing plans and projected levels of growth in the communications markets, are forward-looking statements. Forward-looking statements can be identified by terminology such as "may", "might", "should", "expect", "envisage", "intend", "plan", "project", "estimate", "anticipate", "believe", "hope", "can", "is designed to", or similar phrases. However, the absence of such words does not necessarily mean a statement is not forward looking. Forward-looking statements involve several known and unknown risks, uncertainties and other factors that could cause our actual results and outcomes to be materially different from historical results or any future results expressed or implied by such forward-looking statements. Factors that could cause our actual results or outcomes to differ materially from our expectations include, but are not limited to, those risks identified in Zeda Limited financial reports available at [www.zeda.co.za](http://www.zeda.co.za).

Zeda Limited cautions readers not to place undue reliance on these forward-looking statements. All written and verbal forward-looking statements attributable to Zeda Limited or persons acting on behalf of Zeda Limited are qualified in their entirety by these cautionary statements. Unless we are required by law to update these statements, we will not necessarily update any of these statements after the date of publication of this report so that they conform either to the actual results or to changes in our expectations.

## Administration

### Board of Directors

Lwazi Bam (Chairman)\*

Sibani Mngomezulu

Yolanda Miya

Ngao Motsei

Donald Wilson

### Executive Directors

Ramasela Ganda (Chief Executive Officer)

Thobeka Ntshiza (Group Finance Director)

### Company Secretary

William Radcliffe

### JSE Sponsor

Nedbank CIB

### Auditors

SNG Grant Thornton

### Corporate Affairs & Investor Relations

Babalwa George

\* Appointed as Chairman on 14 December 2022.

## ZEDA LIMITED – KING IV CODE REGISTER

### Preamble

The Zeda Board of directors (the Board) recognises the link between effective governance, sustainable performance and the creation of long-term value for all its stakeholders. The Board is committed to the principles of transparency, integrity, fairness and accountability, and recognises the need to implement good corporate governance principles. The Board, therefore, seeks to apply the principles as set out in the King Code.

The Company has performed an assessment of the application of the principles set out in King Code to the Company and its subsidiaries. The assessment is reflected below together with key actions envisaged to achieve application, where gaps exist.

Chapter	Principle	Applied	Comments
<b>Leadership, ethics and corporate citizenship</b>	1. The governing body should lead ethically and effectively.	Applied	The Board leads ethically and effectively and ensures the highest level of corporate governance and ethical behaviour is practiced in the day-to-day activities of the Zeda Limited Zeda Ethics related policies and Code of Conduct applies to all directors and employees. In execution of its duties, it ensures that each director is competent, acts with integrity and fairness, is transparent and there is both individual and collective responsibility and accountability. The role of the chairman and the Board collectively includes ensuring that the conduct of the Board and that of management is aligned with Zeda Limited values and the code of ethics. This will also be measured as part of the Board effectiveness assessment and in the evaluation of performance of the executives.
	2. The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	Applied	Zeda Limited social, ethics and transformation committee (SETC) have oversight over the implementation, reporting, training and awareness of Zeda Limited values and code of ethics. It monitors the conduct of the Zeda Ltd, ensuring that it is in line with the Zeda Limited strategic value drivers. The responsibility for incorporating the spirit of Zeda Limited code of ethics has been delegated to management and Zeda Limited ethics executive, who are the formal custodians of the code and are responsible for entrenching an ethical culture.
	3. The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	Applied	The Board ensures that the company is and is seen to be a responsible corporate citizen. In formulating Zeda Limited strategy, it considers a full range of issues that influence the sustainability of the business, create value over the long term and takes into account the social, economic, and natural environments in which Zeda operates. The SETC assists the Board with the monitoring and ensuring social, ethical, and transformational practices that are consistent with responsible corporate citizenship.

Chapter	Principle	Applied	Comments
<b>Part 5.2: Strategy, performance and reporting</b>	4. The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.	Applied	<p>In approving Zeda Limited strategy, the Board appreciates the interconnectedness between the organisation's purpose, vision, values and legitimacy to the risks and opportunities, Zeda Limited architecture and performance.</p> <p>Zeda Limited strategy is consistent with integrated thinking, it links strategic value drivers to ensure overall good performance resulting in shared social, economic and environmental value. At Zeda Limited annual strategy session, the Board deliberates on the Zeda Limited strategy, assesses the risks and opportunities, considers progress on implementation of the strategy and ensures that overall conduct is in line with Zeda Limited values to ensure long term success and sustainability. The Audit and Risk Committees assist with the governance of risk by continuously monitoring risks and ensuring appropriate controls are in place.</p>
	5. The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short-, medium- and long-term prospects.	Applied	<p>The Board ensures that the reporting framework complies with the Companies Act 2008, as amended and the JSE listing requirements.</p> <p>Zeda Ltd will produce a full suite of reporting publications with effect from the 2023 financial year to cater for diverse needs of key stakeholders. All external reports will be considered and approved by the Board prior to publication and will include:</p> <ul style="list-style-type: none"> <li>• Annual integrated report – Provides a holistic assessment of Zeda Limited ability to create value. It will consider the issues that are material to our commercial viability and social relevance, which are required to achieve our strategy in the medium to long term. These include the macroeconomic and socio-political conditions in which Zeda Ltd operates.</li> <li>• Governance and remuneration report – will provide a detailed review of Zeda Limited governance and remuneration practices, including Zeda Limited remuneration policy.</li> <li>• Annual financial statements – will set out Zeda Limited full audited annual financial statements, including the report of the Zeda Ltd audit and risk committee.</li> <li>• Risk report – will provide a detailed view of the management of risks relating to Zeda Limited operations.</li> <li>• Social, ethics and transformation report – will provide an account of Zeda Limited social, economic and environmental impacts and how these contribute to Zeda Limited sustainability and its ability to achieve its purpose.</li> </ul> <p>The Board acknowledges its responsibility over the integrity of external reports issued, and takes into account the statutory, regulatory and best practice when preparing them.</p>

Chapter	Principle	Applied	Comments
<b>Part 5.3: governing structures and delegation</b>	6. The governing body should serve as the focal point and custodian of corporate governance in the organisation.	Applied	<p>The Board has overall responsibility for corporate governance within Zeda Limited It operates within a clearly defined governance framework as defined within existing policies. It retains effective control through this framework and provides for delegation of authority with clearly defined mandates and authorities.</p>
	7. The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.	Applied	<p>The Board has 6 Directors, comprising 4 independent non-executive directors and 2 executive directors.</p> <p>The Board is considered of appropriate size to enable it to meet and fulfil its governance role and responsibilities objectively and effectively. Non-executive directors bring diverse perspectives to Board deliberations, and constructively challenge management. The collective background of the Board members provides for a balanced mix of attributes and skills that enable the Board to fulfil its duties and responsibilities.</p> <p>The Board's breadth of experience includes:</p> <ul style="list-style-type: none"> <li>• Accounting / auditing • Asset management • Business development</li> <li>• Corporate Affairs</li> <li>• Digital and IT</li> <li>• Finance, mergers and acquisitions</li> <li>• Culture/conduct</li> <li>• People development/diversity and inclusion</li> <li>• Remuneration</li> <li>• Governance/risk and compliance</li> <li>• Investment banking</li> <li>• Strategy</li> <li>• Social development</li> <li>• Board experience</li> </ul> <p>Annually on recommendation from Nomination Committee, the Board deliberates and approves the categorisation of directors as independent using the criteria set out in the King Code, Companies Act and JSE Listing Requirements. Emphasis is placed on ensuring that the Board composition reflects diversity in the broadest sense. The Board is committed to ensuring diversity, including that of backgrounds, experience, skills, geography, race, age, and gender.</p>

Chapter	Principle	Applied	Comments
<b>Part 5.3: governing structures and delegation</b> <i>continued</i>	8. The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.	Applied	<p>The Board has delegated certain functions to its committees in line with the corporate governance framework and relevant legislation. The Board committees include:</p> <ul style="list-style-type: none"> <li>• Audit &amp; Risk (ARC);</li> <li>• Nomination (Nomco);</li> <li>• Remuneration (RemCo); and</li> <li>• Social, ethics and transformation (SETC)</li> </ul> <p>Each committee has a Board approved mandate. In determining the composition of committees, the Board considers the skills and experience of its members, applicable regulations, and the committee mandate. Except for SETC which has executive director as a member, committees only comprise independent non-executive directors. Committee chairmen are accountable for the effective functioning of the committees. They provide verbal updates to the Board on committee activities at each Board meeting and submit chairmen reports highlighting matters for Board attention. The minutes of meetings are also included in the Board Pack for noting.</p> <p>The review of the Board's compliance with the provisions of the respective mandates will be done annually.</p>
	9. The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.	Applied	<p>The performance of the Board as a whole, the Board committees and individual members will be evaluated every two years either internally or by an external service provider. Action plans will be drawn from evaluation findings which are agreed by the Board and tracked by the company secretary.</p>
	10. The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.	Applied	<p>The Board is responsible for appointing the Chief Executive and through Nomination Committee, ensures that the Board is kept abreast of succession plan for the Chief Executive. It has delegated the authority in writing to the Zeda Ltd Chief Executive to manage the business and affairs of Zeda Limited. Zeda Limited Chief Executive is held accountable for the performance of Zeda Limited. Zeda Ltd has in place a delegation of authority framework, which is reviewed annually in consultation with the Zeda Limited finance function to ensure that the financial limits remain appropriate.</p> <p>The company secretary monitors effective implementation of the authority delegated to the Group chief executive. The Group chief executive's role is in writing and evaluation against her performance will be carried out by the chairman in consultation with the Board.</p>

Chapter	Principle	Applied	Comments
<b>Part 5.4: governance functional areas</b>	11. The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	Applied	<p>The Board's responsibility for risk governance is expressed in the Board charter and risk policy and plan and aligned to the principles of King IV. Formal processes are in place reflecting the Board's leadership with regard to the governance of risk. This ensures that risks and opportunities are adequately identified, evaluated and managed in each subsidiary and their individual and joint impact on Zeda Ltd is considered. On the behalf of the Board, Audit and Risk committee ensures oversight over the governance of risk by setting the direction for how risk should be approached and addressed in Zeda Limited. It regularly reviews and assesses the adequacy and effectiveness of the risk management &amp; governance framework by ensuring that risk standards and policies are in place, and they support Zeda Limited strategy, are fit for purpose and effective operationally. It evaluates and agrees the nature and extent of opportunities and associated risks that Zeda Ltd is willing to take in pursuit of its strategic objectives and supports a climate of discipline and control. An on-going systematic, enterprise-wide risk assessment process supports Zeda Limited risk philosophy and the desire for a risk intelligent organization that is hazard resilient.</p>
	12. The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	Applied	<p>The Board understands that information and technology is an integral component of the Zeda Limited strategy. The Board delegated the oversight over the governance of information management and technology to the Zeda Limited Audit &amp; Risk committee. It is ensuring that prudent and reasonable steps are being taken with regards to information and technology governance, including aligning the IT strategy with the Zeda Limited strategic objectives, performance targets and ensuring that it contributes to the sustainability of Zeda Limited. It monitors and evaluates significant IT investment and expenditure. The committee has delegated the day-to-day management, and tasked management with the implementation of the IT governance framework. Technology and information risk is integrated in the company's risk management and is considered as part of its oversight of operational risk.</p>
	13. The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation in being ethical and a good corporate citizen.	Applied	<p>The Board is responsible for ensuring that Zeda Ltd complies with applicable laws and considers adhering to non-binding rules, codes and standards, and recognises the challenges associated with the fact Zeda Limited operations are located in many jurisdictions which are at different levels of maturity. The Board, with the assistance of management and the SETC and Audit and Risk Committee, ensures that Zeda Ltd complies with applicable laws and regulations, as well as adopted nonbinding rules, codes and standards. Zeda Ltd has identified the laws, codes and standards that impact its operations. The Board has delegated the responsibility for implementing compliance to management.</p>

Chapter	Principle	Applied	Comments
<b>Part 5.4: governance functional areas</b> <i>continued</i>	14. The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short-, medium and long-term.	Applied	Through Zeda Limited remuneration committee, the Board ensures that Zeda Ltd adopts remuneration policies and practices that are aligned with its strategy, promote sound risk management in line with its values and code of ethics whilst creating value for Zeda Ltd over the long term. It reviews the remuneration policies regularly to ensure that the design and management of remuneration practices motivate sustained high performance and are linked to individual and corporate performance. It also ensures transparency and disclosure to enable a reasonable assessment by stakeholders of reward practices and governance processes within the Zeda Limited Detail on the remuneration practices including remuneration policy will be contained in Zeda Limited Remuneration Report.
	15. The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.	Applied	Audit and Risk committee ensures that Zeda Ltd applies a combined assurance model and ensures a coordinated approach to all assurance activities. It reviews the plans and work outputs of the external and internal auditors as well as work on the compliance and Zeda Limited integrated operation risk and concludes on their adequacy to address all significant financial risks facing the business which can impair the integrity of information used for decision making and external reporting. ARC is responsible for overseeing Zeda Limited internal audit function. It reviews and approves the annual internal audit charter and audit plan, and evaluates the independence, effectiveness and performance of outsourced audit services and its compliance with its charter; it also reviews significant issues raised in the internal audit processes and the adequacy of corrective action in response to such findings; it assesses the adequacy of the performance of the internal audit function and adequacy of the available internal audit resources. In respect of the external auditors and the external audit, ARC recommends the appointment of auditors to the shareholders and oversees the external audit process.
<b>Part 5.5: stakeholder relationships</b>	16. In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	Applied	The Board through SETC ensures the development of appropriate policies that appreciate that stakeholders' perceptions affect Zeda Limited reputation. Stakeholder engagement activities are governed by a stakeholder engagement policy approved by the Board which delegates the management of relationships with specific stakeholders of Zeda Limited to management. Key stakeholders are identified by management and the Board. Management pursues appropriate stakeholder relationships with material stakeholders with a view to balance their legitimate and reasonable needs, interests and expectations and those of Zeda Ltd



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