

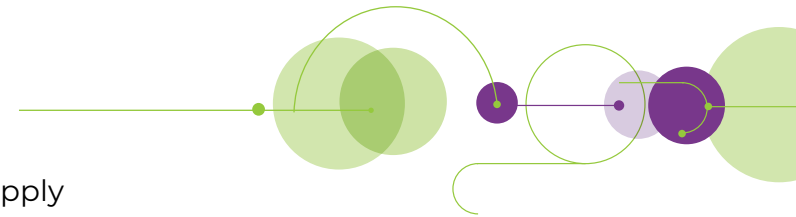


OUTsurance Group Limited

King IV
Application summary


for the year ended 30 June 2024

King IV – applied and explained




The Companies Act places certain duties on directors and determines that they should apply the necessary care and skill in fulfilling their duties. To ensure that this is achieved, the board applies best practice principles, as contained in King IV, where appropriate. As a JSE-listed entity, OGL also complies with the JSE Listings Requirements. OGL complied in all material respects with all applicable legislation, regulations, standards and codes, including its memorandum of incorporation.


OUTCOME: ETHICAL CULTURE

Principle 1: The board leads ethically and effectively. Aligned 

Explanation: OGL's board of directors is its governing body. The directors hold one another accountable for decision-making and behave ethically, as characterised in King IV. The chairman is tasked to monitor this as part of his duties.


Principle 2: The board governs the ethics of OGL in a way that supports the establishment of an ethical culture. Aligned 

Explanation: While control is delegated to management in the day-to-day management of the group, the board retains full and effective control over the group. A formal board charter, as recommended by King IV, has been adopted. All directors subscribe to a code of ethics. The code of ethics guides the ethical behaviour of all OGL employees.


Principle 3: The board ensures that OGL is and is seen to be a responsible corporate citizen. Aligned 

Explanation: The board is the guardian of the values and ethics of the group and ensures that it is seen as a responsible corporate citizen. The responsibility for monitoring the overall responsible corporate citizenship performance of the organisation was delegated to the social and ethics committee by the board.

OUTCOME: PERFORMANCE AND VALUE CREATION


Principle 4: The board appreciates that OGL's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process. Aligned 

Explanation: The board's paramount responsibility is to ensure that OGL creates value for its shareholders. Refer to OGL's business model in the integrated report and the explanation of how the inseparable elements of the value creation process are linked.

Principle 5: The board ensures that reports issued by OGL enable stakeholders to make informed assessments of OGL's performance and its short, medium and long-term prospects. Aligned 


Explanation: The board is also responsible for clear, transparent, balanced and truthful communication to shareholders and relevant stakeholders. In its interim and integrated reports to stakeholders, OGL details both its historical performance and future outlook.

OUTCOME: ADEQUATE AND EFFECTIVE CONTROL

Principle 6: The board serves as the focal point and custodian of corporate governance in OGL. Aligned 

Explanation: The board’s roles and responsibilities and the way that it executes its duties and decision-making are documented and set out in the board charter. The board meets once every quarter. Should an important matter arise between scheduled meetings, additional meetings may be convened. Details of the board meetings held during the year ended 30 June 2024, as well as the attendance at the board meetings by individual directors, are disclosed in the integrated report.

Investee companies have their own governance structures, including boards of directors, executive teams and board committees that monitor operations and deal with governance and transformation-related issues. OGL has board representation at all investee companies and influences the governance and transformation-related issues through this strategic position.

Principle 7: The board comprises the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively. Aligned 

Explanation: The board, with the assistance of the remuneration and nominations committees, considers, on an annual basis, its composition in terms of balance of skills, experience, diversity, independence and knowledge and whether this enables it to effectively discharge its roles and responsibilities.


OGL has a unitary board with a non-executive director as chairman. The chairman is not independent, as defined in the JSE Listings Requirements. However, the board believes that Herman Bosman’s specialist knowledge of the financial services industry makes it appropriate for him to hold this position. Kubandiran Pillay is the lead independent non-executive director. Ten of the fourteen non-executive directors as at 30 June 2024 are independent.

The roles of chairman and chief executive officer are separate and the composition of the board ensures a balance of authority, precluding any one director from exercising unfettered powers of decision-making.

The boards of OGL’s major investments are similarly constituted with the necessary mix of skills, experience and diversity. There is also an appropriate mix between executive and non-executive appointments.



For details of directors’ names, their dates of appointment and other listed directorships as well as a brief career and sphere of influence synopsis of each of the directors, refer to the integrated report.


Principle 8: The board ensures 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. Aligned 

Explanation: The board established five sub-committees to assist the directors in fulfilling their duties and responsibilities. Each committee has a formal charter and reports to the board at regular intervals. The charters, which set out the objectives, authority, composition and responsibilities of each committee, have been approved by the board. All the committees are free to take independent outside professional advice, as and when required, at the expense of the company.


Membership of the committees is as recommended in King IV. Refer to the integrated report.

The audit, risk and compliance committee is satisfied that the auditor is independent and the auditor firm has been appointed with the designated partner having oversight of the audit.

An assessment of the effectiveness of the financial director function is performed annually by the audit, risk and compliance committee.

Principle 9: The board ensures 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. Aligned 

Explanation: After evaluating their performance in terms of their respective charters, the directors are of the opinion that the board and the sub-committees have discharged all their responsibilities. Assessments of the performance of the chief executive officer are conducted annually and no major issues or concerns have been identified.

Principle 10: The board ensures that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities. Aligned 

In terms of its formal charter, the board’s responsibilities include the appointment of the chief executive officer and the approval of corporate strategy, risk management and corporate governance. The board reviews and approves the business plans and monitors the financial performance of the group and implementation of the strategies.

A detailed delegation of authority policy and framework indicate matters reserved for the board and those delegated to management. The board is satisfied that OGL is appropriately resourced and that its delegation to management contributes to an effective arrangement by which authority and responsibilities are exercised.

The company secretary is Schalk Human, MCom (Accounting), CA(SA). The company secretary is appointed on a full-time basis with the requisite knowledge, experience and stature.

OUTCOME: ADEQUATE AND EFFECTIVE CONTROL continued

Principle 11: The board governs risk in a way that supports OGL in setting and achieving its strategic objectives. Aligned

Explanation: The audit, risk and compliance committee assists the board with the governance of risk. The board is aware of the importance of risk management as it is linked to the strategy, performance and sustainability of OGL.

See the integrated report for an overview of the risks to value creation in OGL.

Principle 12: The board governs technology and information in a way that supports OGL in setting and achieving its strategic objectives. Aligned

Explanation: The audit, risk and compliance committee assists the board with the governance of information technology. The board is aware of the importance of technology and information as it is inter-related to the strategy, performance and sustainability of OGL.

Principle 13: The board governs compliance with applicable laws and adopted non-binding rules, codes and standards in a way that supports OGL being ethical and a good corporate citizen. Aligned

There were no material or repeated regulatory penalties, sanctions or fines for contraventions of or non-compliance with statutory obligations.

Principle 14: The board ensures that OGL remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term. Aligned

OGL remunerates fairly, responsibly and transparently so as to promote the creation of value in a sustainable manner.

See the remuneration review in the integrated report.

Principle 15: The board ensures that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of OGL’s external reports. Aligned

The board is satisfied that assurance results in an adequate and effective control environment and integrity of reports for better decision-making.

See the information on assurance in the audit, risk and compliance committee’s report, which is contained in the annual financial statements.

OUTCOME: TRUST, GOOD REPUTATION AND LEGITIMACY

Principle 16: In the execution of its governance role and responsibilities, the board adopts a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of OGL over time. Aligned

Explanation: OGL has identified its stakeholder groups and actively balances their legitimate and reasonable needs, interests and expectations.

Principle 17: The board ensures that responsible investment is practiced by OGL to promote the good governance and the creation of value by the companies in which it invests. Aligned

Explanation: OGL ensures, through active participation and representation, that it exercises its rights and obligations with regard to its investee companies.

