

LONG4LIFE LIMITED

KING IV APPLICATION REGISTER AS AT 7 APRIL 2017

	PRINCIPLE	APPLICATION
<b>Governance outcome: Ethical culture</b>		
1)	<b>1.1 Ethical leadership</b> The governing body should lead ethically and effectively.	The directors hold one another accountable for decision-making based on integrity, competence, responsibility, fairness and transparency through their commitment to lead the Company based on the values detailed in King IV. The Chairman oversees this process on an ongoing basis.
2)	<b>1.2 Organisation values, ethics and culture</b> The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	<ul style="list-style-type: none"> <li>▪ The board, assisted by the Social and Ethics Committee, oversees the governance of ethics in the Company which is detailed in its Terms of Reference.</li> <li>▪ A Code of Conduct will be developed for approval by the board and communicated to all material stakeholders.</li> <li>▪ Management will be responsible for the implementation of the Code of Ethics and will report any material breaches to the Social and Ethics Committee.</li> </ul>
3)	<b>1.3 Responsible corporate citizenship</b> The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	<ul style="list-style-type: none"> <li>▪ The board, assisted by the Social and Ethics Committee, oversees the governance and activities relating to demonstrating that the Company is a good corporate citizen, including compliance with the Constitution, laws, standards and own policies and procedures, as well as congruence with the Company's purpose, strategy, and code of conduct.</li> <li>▪ The Social and Ethics Committee will develop a strategy and implementation plan to demonstrate its commitment to being a good corporate citizen.</li> </ul>
<b>Governance outcome: Performance and value creation</b>		
4)	<b>2.1 Strategy, implementation and performance</b> The governing body should appreciate that the organisation's core purpose, its risks and opportunities,	<ul style="list-style-type: none"> <li>▪ The board has clearly set out its strategy and associated risks in its pre-listing statement.</li> <li>▪ The board has delegated to management the detailed formulation and implementation</li> </ul>

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	<p>strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.</p>	<p>of the approved strategy and expected returns. The board will regularly monitor each investment to ensure that it is value accretive and meets the legitimate expectations of stakeholders.</p> <ul style="list-style-type: none"> <li>▪ The board has approved key performance measures and targets for management.</li> <li>▪ The board oversees the implementation of the strategy and plans carried out by management against the agreed performance measures and targets.</li> <li>▪ The Audit and Risk Committee will assist with the governance of risks. It monitors the effects of the identified risks and the mitigating controls.</li> <li>▪ The responsibility for risk management is detailed in the Audit and Risk Committee's Terms of Reference.</li> <li>▪ The Company is cognisant of the general viability, reliance and effect of its activities on its capitals, solvency and liquidity and its going concern status.</li> </ul>
5)	<p><b>2.2 Reports and disclosure</b></p> <p>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.</p>	<ul style="list-style-type: none"> <li>▪ The Pre-Listing Statement, as approved by the board, sets out the Company's strategy, together with associated risks and opportunities, enabling stakeholders to make an informed assessment of the Company's direction.</li> <li>▪ The board, assisted by its committees, will oversee that the various reports are compliant with legal reporting requirements and meet the reasonable and legitimate needs of material stakeholders.</li> <li>▪ The board, assisted by the Audit and Risk Committee, will ensure that an annual integrated report is issued for the year ending 31 March 2018. Reporting for the period ended 31 March 2017 will be in line with the Companies Act and the JSE Listings Requirements.</li> <li>▪ The Audit and Risk Committee will approve the basis for determining materiality for the purposes of inclusion in reports.</li> <li>▪ The board, assisted by the Audit and Risk Committee, will ensure the integrity of external reports.</li> <li>▪ The board will delegate to management the uploading of the King Code disclosure requirements, integrated reports, financial statements and other external reports, on its website.</li> </ul>

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<b>Governance outcome: Adequate and effective control – governing structures and delegation</b>		
6)	<p><b>3.1 Role of the governing body</b></p> <p>The governing body should serve as the focal point and custodian of the corporate governance in the organisation.</p>	<p>The board serves as the focal point and custodian of corporate governance. Its role and responsibilities and the way it executes its duties and decision-making are set out in the Board Charter and the Terms of Reference of its various committees.</p>
7)	<p><b>3.2 Composition of the governing body</b></p> <p>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.</p>	<p><i>Composition of the governing body</i></p> <ul style="list-style-type: none"> <li>▪ The board is satisfied that the current composition of the board has been made taking into account the size of the Company, the optimal mix of knowledge, skills, experience, diversity, independence, sufficiency in numbers for its committees, quorum requirements, regulatory requirements and diversity targets.</li> <li>▪ A majority of board members are non-executive directors.</li> <li>▪ The board has appointed a CEO and a CFO has been appointed with effect from 1 May 2017.</li> <li>▪ The board, assisted by the Nomination and Remuneration Committee, will establish a succession plan for executive and non-executive directors.</li> </ul> <p><i>Nomination, election and appointment of members to the governing body</i></p> <ul style="list-style-type: none"> <li>▪ The Terms of Reference of the Nomination and Remuneration Committee detail a formal and transparent process for the nomination, election and appointment of directors to the board.</li> </ul> <p><i>Independence and conflicts</i></p> <ul style="list-style-type: none"> <li>▪ Declarations of interests will be tabled at every board meeting.</li> </ul> <p><i>Chair of the governing body</i></p> <ul style="list-style-type: none"> <li>▪ The Chairman of the board is an independent non-executive director.</li> <li>▪ The role and responsibilities of the Chairman is documented in the Board Charter</li> <li>▪ The Chairman of the board is not a member of the Audit and Risk Committee or the</li> </ul>

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		Nomination Remuneration Committee.
8)	<p><b>3.3 Committees of the governing body</b></p> <p>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.</p>	<ul style="list-style-type: none"> <li>▪ The board determines delegation to individual members, groups of members, standing or ad-hoc committees.</li> <li>▪ The composition of the board and its committees are in line with King IV. There is a clear balance of power to ensure that no individual has undue decision-making powers.</li> <li>▪ Each committee has formal Terms of Reference, approved by the board, recording the responsibilities delegated to it.</li> <li>▪ Each committee has a minimum of three members and sufficient capability and capacity to function effectively.</li> <li>▪ Any member of the board is entitled to attend any committee meeting as an observer, and may allow management to attend by standing or ad-hoc invitation.</li> </ul> <p><i>Audit and Risk Committee</i></p> <ul style="list-style-type: none"> <li>▪ The Audit and Risk Committee will provide independent oversight of the assurance functions and on the integrity of the annual financial statements and other external reports.</li> <li>▪ The Audit and Risk Committee oversees risks that may affect the integrity of external reports.</li> <li>▪ The Audit and Risk Committee is satisfied that it has the necessary financial literacy, skills and experience, and that all members are independent non-executive members.</li> <li>▪ The Chairman is an independent non-executive director.</li> </ul> <p><i>Nomination and Remuneration Committee</i></p> <ul style="list-style-type: none"> <li>▪ The Nomination and Remuneration Committee has oversight of the nomination, election and appointment process of members, succession planning and performance evaluations.</li> <li>▪ The Nomination and Remuneration Committee has oversight of remuneration governance.</li> </ul> <p><i>Social and ethics committee</i></p> <ul style="list-style-type: none"> <li>▪ The Social and Ethics Committee has been established to carry out its statutory duties</li> </ul>

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		<p>and additional duties relating to the Company's ethics, corporate citizenship and stakeholder relationships.</p> <ul style="list-style-type: none"> <li>All members of the Social and Ethics Committee are non-executive directors with a majority being non-executive directors of the board.</li> </ul> <p><i>Investment committee</i></p> <ul style="list-style-type: none"> <li>An Investment Committee has been established to consider acquisitions and disposals as detailed in the Pre-Listing Statement.</li> </ul>
9)	<p><b>3.4 Delegation to management</b></p> <p>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.</p>	<p>The board, assisted by the Nomination and Remuneration Committee, will oversee a formal evaluation process of the board, the Chairman, its committees and individual directors at least every two years with a less formal process put in place in the intervening years.</p>
10)	<p><b>3.5 Performance evaluations</b></p> <p>The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and effective exercise of authority and responsibilities.</p>	<ul style="list-style-type: none"> <li>The board has appointed a CEO, who is responsible to lead strategy implementation and will regularly report to the board on the progress thereof.</li> <li>The Terms of Reference of the Nomination and Remuneration Committee and the Board Charter require a formal evaluation of the Board, its committees and the Chairman every second year and a less formal process in the intervening years.</li> <li>The board will approve and implement a Delegation of Authority matrix which will detail the powers and matters reserved for itself and those to be delegated to management via the CEO.</li> <li>The board will oversee that key management functions are led by a competent and appropriately authorised individual and are adequately resourced.</li> </ul>
<p><b>Governance outcome: Adequate and effective control – governance functional areas</b></p>		
11)	<p><b>4.1 Risk and opportunity governance</b></p> <p>The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.</p>	<ul style="list-style-type: none"> <li>The board, with the assistance of the Audit and Risk Committee, is cognisant of the importance of risk management as it is linked to the strategy, performance and sustainability of the Company. The Audit and Risk Committee has delegated to management the implementation of processes to ensure that the risks to the sustainability of the business are identified and managed within acceptable</li> </ul>

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		<p>parameters.</p> <ul style="list-style-type: none"> <li>▪ The Audit and Risk Committee delegates to management to continuously identify, assess, mitigate and manage risks within the existing operating environment. Mitigating controls are in place to address these risks which are monitored on a continuous basis.</li> </ul>
12)	<p><b>4.2 Technology and information governance</b> The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.</p>	<p>The Audit and Risk Committee assists the board with the governance of information and technology. The board is aware of the importance of technology and information as it is interrelated to the strategy, performance and sustainability of the Company.</p>
13)	<p><b>4.3 Compliance governance</b> The governing body should govern compliance with applicable laws and adopt, non-binding rules, codes and standards in a way that it supports the organisation being ethical and a good corporate citizen.</p>	<ul style="list-style-type: none"> <li>▪ The board, with the assistance of the Audit and Risk Committee, ensures that the Company complies with applicable laws, adopted non-binding rules, codes and standards.</li> <li>▪ The board will develop and approve a Compliance Framework.</li> <li>▪ The board has delegated the responsibility for implementing compliance to management.</li> </ul>
14)	<p><b>4.4 Remuneration governance</b> 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.</p>	<ul style="list-style-type: none"> <li>▪ The board, assisted by the Nomination and Remuneration Committee, ensures that executives and general staff are remunerated fairly and responsibly with a view to promoting the creation of value in a sustainable manner.</li> <li>▪ A Remuneration policy will be developed and approved by the board which is designed to attract and retain human capital, promote the achievement of strategic objectives, positive outcomes, an ethical culture and responsible corporate citizenship.</li> <li>▪ The Nomination and Remuneration Committee will oversee the implementation of the policy to ensure achievement of the policy objectives.</li> </ul>
15)	<p><b>4.5 Assurance</b> 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</p>	<p>The board, assisted by the Audit and Risk Committee, will ensure that assurance services and functions are established to achieve an effective internal control environment, integrity of information for management decision making and external reporting.</p>

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	organisation's external reports.	
<b>Governance outcome: Trust, good reputation and legitimacy</b>		
16)	<p><b>5.1 Stakeholders</b></p> <p>In the execution of its governance roles 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.</p>	<ul style="list-style-type: none"> <li>▪ A Stakeholder Relationship policy will be developed and approved by the board.</li> <li>▪ The CEO has been delegated to achieve effective stakeholder relationships with material stakeholders and to balance their legitimate and reasonable needs, interests and expectations with that of the Company.</li> <li>▪ Management proactively encourages shareholder engagements.</li> <li>▪ The Company ensures equal treatment of all shareholders and that minority interests are protected.</li> </ul>
17)	<p><b>5.2 Responsibility of shareholders</b></p> <p>The governing body of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote the good governance and the creation of value by the companies in which it invests.</p>	Not applicable.