

Leadership, Ethics and Corporate Citizenship Governance Outcome: Ethical Leadership	
<p>Principle 1 - Leadership</p> <p>The governing Body should lead ethically and effectively.</p>	<p>The Board of SSI SCF (RF) is fully committed to attaining and sustaining the highest standards of corporate governance. The current challenging economic and business environment underscores ever more the need for observing high levels of transparency, accountability and integrity, the Board is dedicated to continuously fostering a corporate culture that emphasizes good corporate governance.</p> <p>The Board is ultimately responsible for the affairs of the Company, including:</p> <ul style="list-style-type: none"> • the provision of timely and transparent information relating to material events; and • the timely communication to the stakeholders and the public of accurate financial results and reports. <p>Board members have a legal duty to act in good faith, in the best interests of the Company, to act with care and diligence and avoid conflict of interest with the Company</p> <p>Any decisions taken in relation to the business operations of the Company must meet specific requirements in order for directors to discharge their duty to act with care and diligence. The specific requirements are:</p> <ul style="list-style-type: none"> • All decision must be made in good faith, for a proper purpose and in the best interests of the Company; • Any material of personal interest must be disclosed and the member may not take part in discussions on such matters and must recuse themselves from any meeting whilst such discussions are in progress <p>A Board of Directors Code of Conduct and a Board Charter will be adopted and will be reviewed on an annual basis to ensure their alignment with best practice.</p>
<p>Principle 2 - Organisational Ethics</p>	

<p>The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture</p>	<p>The Board of Directors Code of Conduct and a Board Charter will govern the manner in which the directors conduct themselves and manage the company. Effective and ethical leadership is entrenched in the board's decision-making process.</p>
<p>Principle 3 - Responsible Corporate Citizenship</p> <p>The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.</p>	<p>A Social and Ethics committee, which reports to the Board, will be established, reflecting the Company's commitment to ethical corporate citizenship. The responsibilities of the committee include the oversight of good corporate citizenship, prevention of unfair discrimination and reduction of corruption.</p>
<p>Strategy, Performance and Reporting Governance Outcome: Good Performance and Legitimacy</p>	
<p>Principle 4 - Strategy and Performance</p> <p>The governing body should ensure 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</p>	<p>The board, in accordance with the Board of Directors Code of Conduct and the Board Charter, is responsible for aligning Company strategy with performance and sustainability considerations.</p>
<p>Principle 5 - Reporting</p> <p>The governing body should ensure that the reports issued by the organisation enable the stakeholders to make informed assessments of the organisation's performance and its short, medium and long-term prospects.</p>	<p>The Board will assume responsibility for the integrity and transparency of the Company's reporting, and assisted by the Audit Committee and the external auditors, will oversee the issue of any integrated reports and the Company's annual financial statements.</p> <p>This will enable stakeholders to make informed assessments of the Company's performance and its short, medium and long-term prospects.</p>
<p>Governing Structures and Delegation Governance Outcome: Good Performance and Effective Control</p>	

<p>Principle 6 - Primary role and Responsibilities of the Board</p> <p>The governing body should serve as a focal point and custodian of corporate governance in the organisation.</p>	<p>The Board Charter will be emphasise the responsibility of the board and ensure that applicable principles are implemented and a high level of compliance maintained.</p>
<p>Principle 7 - Composition of the Board</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>The Board of Directors consists of three independent non-executive directors, one of which will be chairman, and one executive director. The directors have the necessary skills and experience in the areas of finance, accounting, compliance and governance.</p>
<p>Principle 8 - Committees of the Board</p> <p>The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with the balance of power and effective discharge of its duties.</p>	<p>The board has established both an Audit Committee and a Social and Ethics Committee and delegated certain functions to them. The board is satisfied that these arrangements promote independent judgement, and assist with the balance of power and effective discharge of its duties. The establishment of these committees does not relieve the board of any of its duties set out in the Board Charter or as may be prescribed under legislation or by regulation.</p> <p>PwC have been appointed as auditors of the Company, their appointment to be reviewed at the AGM.</p>
<p>Principle 9 - Evaluations of the performance of the Board</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, its composition, and evaluation of performance, is central to corporate governance. Effective board evaluation helps directors to perform to their optimum capabilities and instils accountability in board members and improves efficiency of board operations. Accordingly, a self-evaluation of the performance of the board will be conducted annually and action plans implemented when required. The Chairman is responsible to assess each director and committee member on an ongoing basis.</p>
<p>Principle 10 – Appointment and Delegation to Management</p> <p>The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibility.</p>	<p>The board and the committees have clearly defined responsibilities.</p> <p>The company has appointed GMG Corporate Services (Africa) Proprietary Limited, to act as company secretary to provide governance and secretarial services to the Company.</p>

	<p>The Company has been set up as a Special Purpose Vehicle and with a limited purpose and therefore has no employees, CreditInnovation has been appointed to administer the day-to-day affairs of the Company. An Administration Agreement will be executed, which clearly sets out the role of the administrator and the duties to be performed, governs this relationship.</p>
Governance Functional Areas Governance Outcome: Ethical culture, Good Performance and Effective Control	
Principle 11 - Risk Governance The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	<p>The board assumes the responsibility for the governance of risk. The audit committee will assist the board by providing an objective and independent review on the company's finance, accounting and control mechanisms.</p> <p>Via consultation with the external auditors, the committee will ensure that material risks are being identified, managed and monitored.</p>
Principle 12 - Technology and Information governance The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic goals.	<p>The board understands the importance, relevance and inherent risks in IT governance and is responsible for such risks. The audit committee fulfils an oversight role regarding financial reporting risk, internal financials controls and IT risks as they relate to financial reporting.</p>
Principle 13 - Compliance Governance The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.	<p>The directors fully understand the appropriate applicable laws, rules and regulations and how compliance risk affects the reputation of the Company. Compliance is an identified risk and will be addressed as an agenda item at each board meeting, thereby positioning the board to adapt to changes in the regulatory environment.</p>
Principle 14 - Remuneration Governance 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>Further to clause 7.4.1 of the Company's MOI, and in accordance with the requirements of section 66(8) of the Companies Act, the Company shall not pay remuneration to its directors. The company is a special purpose vehicle and has no employees.</p>
Principle 15 - Assurance	<p>The board is satisfied that the board, the sub committees and the external auditor will direct a</p>

<p>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.</p>	<p>co-ordinated and relevant assurance effort to the risks that matter most, making sure that assurance is obtained in the right areas in the most cost-effective way possible.</p>
<p>Legitimacy, Good Performance and Ethical Culture</p>	
<p>Principle 16 - Stakeholders 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.</p>	<p>The way in which SSI engages with its stakeholders is addressed in the Board of Directors Code of Conduct and the Board Charter. The transaction documents will include agreements that further govern stakeholder relationships.</p>

The objective of compliance with King IV is to promote corporate governance as integral to running an organisation and delivering governance outcomes such as ethical culture, good performance, effective control and legitimacy.