

# WESCOAL

Introduction Wescoal's Board of Directors supports the principles of the Code of Corporate Practices and Conduct (the Code) contained in the King Code of Governance Principles and King Report on Governance (King III), and acknowledges the importance of sound corporate governance and the guidelines set out in the Code. (See detailed internal assessment of the application of King IV principles and current levels of compliance under the Governance section).

## **Statement of Compliance**

The Listings Requirements of the JSE require that companies report on the extent to which they comply with the principles incorporated in the Code. The Code recommends that the Chairperson be an Independent Non-Executive Director. It is the Board's opinion that as the Chief Executive Officer and the Non-executive Chairperson's roles are separate; there is a clear division of responsibilities at the head of the Company, which ensures a balance of power and authority, such that no one individual has unfettered powers of decision-making.

## **Board of Directors**

The Board retains full and effective control over the Company. Apart from regular meetings additional meetings are arranged, when necessary, to review strategy, planning, operations, financial performance, risk and capital expenditure, human resources and environmental management. The Board is also responsible for monitoring the activities of Executive Management.

## **Chairperson**

The Non-Executive Chairperson, who is not independent, is Robinson Ramaite. The Board delegates its responsibility for ensuring the effectiveness of governance practices to the Chairperson. He leads the Board and is responsible for representing the Board to shareholders. As required in terms of the Listings Requirements of the JSE, the role of the Chairperson is separate from that of the Chief Executive Officer. To further strengthen the Board, Teresita van Gaalen is the Lead Independent Non-Executive Director.

## **Composition of the Board**

The Board comprises three Executive Directors and five Non-Executive Directors. The Non-Executive Directors are free to make their own decisions and judgements. They enjoy no benefits from the Company for their services as Directors other than their fees, potential capital gains and dividends on their interests in ordinary shares and options. The Non-Executive Directors are high-calibre professionals and sufficient in number for their views to carry significant weight in the Board's deliberations and decisions. The guidelines contained in the Listings Requirements of the JSE were used to test the category most

applicable to each Director. The names and biographical details of each of the Directors are set out in the Integrated Annual Report.

### **Subsidiary Boards**

Subsidiary boards for the Trading and Mining companies comprising senior managers have been formed. This is an important step in compliance with the Group's governance code and Listings Requirements.

### **The Committee must ensure:**

- It has adequate plans for the succession of its members, including the Group Chief Executive Officer and the executive team.
- It has appropriate selection criteria and the necessary processes for the identification of a diverse range of suitable candidates to become members of the Board in keeping with strategy.

### **Analysis of the work completed and in progress:**

Permanent appointment Chief Executive Officer  
Waheed Sulaiman – April 2016

### **Appointment**

Group Executive Director for Business Development and Projects  
Thivha Tshithavhane – appointed on 1 April 2016

### **Appointment**

Chief Financial Officer

### **Appointment**

Chief Financial Officer and executive director  
Izak Van Der Walt-appointed on Sept 1, 2017