

## KING III CODE REGISTER

### King III Code

#### Preamble

The Board of EPE Capital Partners Ltd (“Ethos Capital” or the “Company”) recognises the link between effective governance, sustainable performance and the creation of long-term value for all of 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 III.

Ethos Capital has performed an assessment of the application of the principles set out in the King Code III. The assessment is reflected below together with comments and where gaps exist, explanations.

Principle	Applied	Comments
<b>Ethical leadership and corporate citizenship</b>		
1.1	Applied	Ethics forms part of the values of Ethos Capital and the Board. The Board Charter, which sets out the Board’s responsibilities, includes the Board’s commitment to ethical leadership.
1.2	Applied	The Board ensures that Ethos Capital is, and is seen to be, a responsible corporate citizen, largely through the activities of its Investment Advisor.
1.3	Applied	The Board is committed to ensure that ethical principles are always applied during the decision-making process.
<b>2</b>	<b>Board and Directors</b>	
2.1	Applied	The Board as a whole is responsible for effective corporate governance and subscribes to ethical leadership, business sustainability, stakeholder inclusivity and sound values of good corporate governance.
2.2	Applied	The Board ensures that the strategy is aligned with the purpose of Ethos Capital, the value drivers of the business and the legitimate expectations of all stakeholders. The risk framework, as monitored by the Audit and Risk Committee and enforced by the Board, ensures that key risks are identified and managed in a strategic and sustainable manner.

Principle		Applied	Comments
2.3	The Board should provide effective leadership based on an ethical foundation.	Applied	Ethics form part of the values of Ethos Capital and the Board.
2.4	The Board should ensure that Ethos Capital is and is seen to be a responsible corporate citizen.	Applied	The Board ensures that Ethos Capital is and is seen to be a responsible corporate citizen.
2.5	The Board should ensure that Ethos Capital's ethics are managed effectively.	Applied	Ethics are the responsibility of the Board as a whole and are managed in conjunction with the Investment Advisor
2.6	The Board should ensure that Ethos Capital has an effective and independent audit committee.	Applied	The Audit and Risk Committee consists of three independent Non-executive Directors with appropriate industry and financial experience and skills.
2.7	The Board should be responsible for the governance of risk.	Applied	The Board as a whole is responsible for the governance of risk. The Audit and Risk Committee assists the Board in this regard.
2.8	The Board should be responsible for information technology ("IT") governance.	Applied	The Board as a whole is responsible for the governance of IT. The Audit and Risk Committee assists the Board in this regard.
2.9	The Board should ensure that Ethos Capital complies with applicable laws and considers adherence to non-binding rules, codes and standards.	Applied	Compliance with all applicable laws and adherence to non-binding rules, codes and standards form part of the values of Ethos Capital in its role as a responsible corporate citizen.
2.10	The Board should ensure that there is an effective risk-based internal audit.	Not applied	Due to the nature and size of Ethos Capital's operations, The Board believes that Ethos Capital does not currently need an internal audit function. The Audit and Risk Committee formulates and monitors Ethos Capital's risk management policies and governance compliance and will continue to monitor the need for an internal audit function.
2.11	The Board should appreciate that stakeholders' perceptions affect Ethos Capital's reputation.	Applied	The Board monitors stakeholders' perceptions, in light of the importance of Ethos Capital's reputation.
2.12	The Board should ensure the integrity of the company's integrated report.	Applied	The Board applies appropriate measures to ensure the integrity of the Integrated Annual Report. The Audit and Risk Committee assists the Board in this regard.
2.13	The Board should report on the effectiveness of Ethos Capital's system of internal controls.	Applied	The Board reports on the effectiveness in the Integrated Annual Report.

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2.14	The Board and its Directors should act in the best interests of Ethos Capital.	Applied	The Board and Directors always acts in the best interests of Ethos Capital. Directors are committed to adhering to the legal standards of conduct and managing potential conflicts of interest.
2.15	The Board should consider business rescue proceedings or other turnaround mechanisms as soon as Ethos Capital is financially distressed as defined in the South African Companies Act.	Applied	Despite the fact that the South African Companies Act does not apply to Ethos Capital, the Board regularly considers the Company's going concern status and its solvency and liquidity. This will enable the Board to proactively consider any appropriate turnaround mechanisms, should Ethos Capital become financially distressed.
2.16	The Board should elect a chairman of the Board who is an independent non-executive Director. The Chief Executive Officer of Ethos Capital should not also fulfil the role of chairman of the Board.	Applied	The Chairperson of the Board is an experienced independent Non-executive Director of Ethos Capital. Given the unique structure and business of Ethos Capital and in order to maintain the independence of the Board from the Investment Adviser, in accordance with the best international practice for listed private equity vehicles, the Chief Executive Officer of Ethos Capital is not a Director. His role is separate and distinct from that of the Chairperson.
2.17	The Board should appoint the Chief Executive Officer and establish a framework for the delegation of authority.	Applied	The Board has appointed a Chief Executive Officer. The role of the Chief Executive Officer is formalised and his authority has been established.
2.18	The Board should comprise a balance of power, with a majority of non-executive Directors. The majority of non-executive Directors should be independent.	Applied	The Board currently consists of five Directors. All the Directors are Non-executive Directors and all the Directors are independent. The Board's composition ensures a balance of power and authority.
2.19	Directors should be appointed through a formal process.	Applied	Directors are appointed through a formal process. Director appointments are a matter for the Board as a whole and the shareholders. The Remuneration Committee assists the Board in this regard.
2.20	The induction of and ongoing training and development of Directors should be conducted through formal processes.	Partially applied	The Board has an informal induction process. Induction has not been necessary yet as all the new Directors have been familiar with the Company, its operations and the environment that it operates in. The Directors have unlimited access to the Investment Advisor's resources in relation to training and development needs, as well as to Ethos Capital's sponsor. A more formal

Principle	Applied	Comments
		process will be introduced as required in the future.
2.21 The Board should be assisted by a competent, suitably qualified and experienced company secretary.	Applied	The Board has appointed a competent, suitably qualified and experienced Company Secretary, whose role has been formalised and is in compliance with Mauritian law. The Company Secretary is not a Director of Ethos Capital, but one of the Directors of Ethos Capital is also a Director and shareholder of Ocorian. The Board is comfortable that this relationship does not impact the independence of the Company Secretary and that an arm's length relationship is maintained between the Board and the Company Secretary.
2.22 The evaluation of the Board, its committees and the individual Directors should be performed every year.	Applied	Annual evaluations of the efficiency of the Board, its committees and Directors are undertaken by the Board and committee chairpersons. However, no formal appraisals of the Directors are performed.
2.23 The Board should delegate certain functions to well-structured committees but without abdicating its own responsibilities.	Applied	The Board has established the following board committees:  Audit and Risk Committee;  Remuneration Committee; and  Investment Committee.  Formal terms of reference are in place for all of these committees. Each committee chairperson reports to the Board after each meeting.
2.24 A governance framework should be agreed between Ethos Capital and its subsidiary boards.	N/A	Ethos Capital has no subsidiaries.
2.25 Companies should remunerate Directors and executives fairly and responsibly.	Applied	The Remuneration Committee ensures that the remuneration of Directors is aligned with Ethos Capital's strategic goals and linked to each Director's role. All Directors are Non-executive Directors and no executives are employed by the Company.
2.26 Companies should disclose the remuneration of each individual Director and certain senior executives.	Applied	The remuneration of each Director is included in the Annual Financial Statements of Ethos Capital. No executives are employed by the Company.
2.27 Shareholders should approve Ethos Capital's remuneration policy.	Not-applied	This will be applied at the 2018 Annual General Meeting.

Principle	Applied	Comments	
<b>3</b>			
3.1	<b>Audit Committees</b>		
3.1	The Board should ensure that Ethos Capital has an effective and independent audit committee.	Applied	The Audit and Risk Committee consists of three independent Non-Executive Directors.
3.2	Audit committee members should be suitably skilled and experienced independent non-executive Directors.	Applied	The members of the Audit and Risk Committee are suitably skilled and experienced.
3.3	The audit committee should be chaired by an independent non-executive Director.	Applied	The Audit and Risk Committee is chaired by an independent Non-executive Director.
3.4	The audit committee should oversee integrated reporting.	Applied	The Audit and Risk Committee are responsible for overseeing Ethos Capital's integrated reporting process.
3.5	The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.	Applied	The Audit and Risk Committee ensures that a combined assurance framework is applied.
3.6	The audit committee should satisfy itself of the expertise, resources and experience of Ethos Capital's finance function.	Applied	The Audit and Risk Committee has satisfied itself of the effectiveness of the Chief Financial Officer and the expertise, resource and experience of Ethos Capital's finance function, certain aspects of which are provided by Ethos in terms of the Investment Services Agreement. These are evaluated formally on an annual basis.
3.7	The audit committee should be responsible for overseeing the internal audit function.	Not - applied	Given the nature and size of Ethos Capital's business, the Board, on the recommendation from the Audit and Risk Committee, has decided that Ethos Capital does not need an internal audit function at this time, as similar assurance is obtained from other controls monitored by the Audit and Committee.
3.8	The audit committee should be an integral component of the risk management process.	Applied	The Audit and Risk Committee is responsible for the development, review and monitoring of a risk management plan.
3.9	The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process.	Applied	The Audit and Risk Committee is responsible for overseeing the external audit process, fees and terms of engagement of the external auditors and to recommend the same for approval to the Board; and to determine the nature and extent of non-audit services provided by the auditors to Ethos Capital.

Principle	Applied	Comments	
3.10	The audit committee should report to the Board and shareholders on how it has discharged its duties.	Applied	The chairperson of the Audit and Risk Committee reports to the Board after each meeting of the Committee. A written report by the Audit and Risk Committee is included in the Integrated Annual Report.
<b>4</b>	<b>The Governance of Risk</b>		
4.1	The Board should be responsible for the governance of risk.	Applied	The Board is ultimately responsible for the governance of risk. The Audit and Risk Committee has been established to assist the Board in this regard.
4.2	The Board should determine the levels of risk tolerance.	Applied	The risk levels are considered by the Audit and Risk Committee, the Investment Committee and the Board and monitored via a risk register.
4.3	The risk committee or audit committee should assist the Board in carrying out its risk responsibilities.	Applied	The Audit and Risk Committee, assisted by the Investment Committee as required, has been established to assist the Board in carrying out its risk responsibilities.
4.4	The Board should delegate to management the responsibility to design, implement and monitor the risk management plan.	Applied	The Board has delegated to the Chief Financial Officer the responsibility for designing, implementing and monitoring the process of risk management and integrating it into the day-to-day activities of Ethos Capital. The Audit and Risk Committee and the Board are satisfied with the risk management plan.
4.5	The Board should ensure that risk assessments are performed on a continual basis.	Applied	The Audit and Risk Committee continuously identifies, assess and respond to risks, in conjunction with the Investment Advisor's assessment of risks.
4.6	The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks.	Applied	Risk management is embedded in the strategic, operational and compliance processes of Ethos Capital.
4.7	The Board should ensure that management considers and implements appropriate risk responses.	Applied	The Chief Financial Officer considers and implement effective risk responses, which are reviewed by the Audit and Risk Committee as well as the Board.
4.8	The Board should ensure continual risk monitoring by management.	Applied	Risk management is embedded in the strategic, operational and compliance processes of Ethos Capital. The Board ensures that risks are continually monitored by the Chief Financial Officer, with the assistance of the Audit and Risk Committee,

Principle	Applied	Comments	
		which provides regular feedback to the Board on matters within its mandate.	
4.9	The Board should receive assurance regarding the effectiveness of the risk management process.	Applied	Assurance is provided to the Board through the Audit and Risk Committee and the Chief Executive Officer who, in turn, reports to the Audit and Risk Committee's chairperson on risk management.
4.10	The Board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.	Applied	Details about the risk management process and identified risks are included in the Integrated Annual Report.
<b>5</b>	<b>The governance of information technology (IT)</b>		
5.1	The Board should be responsible for information technology ("IT") governance.	Applied	<p>The Board has overall oversight of the governance of IT. The Audit and Risk Committee assists the Board in carrying out these duties.</p> <p>It should be noted that the governance of IT is largely dependent on the IT-related controls of the Investment Advisor, who are responsible for providing certain financial and back-office functions to Ethos Capital. Therefore, the governance and oversight of the Board and Audit and Risk Committee largely focuses on their systems and controls.</p>
5.2	IT should be aligned with the performance and sustainability objectives of Ethos Capital.	Applied	The Audit and Risk Committee integrates the IT strategy with the performance and sustainability objectives of Ethos Capital.
5.3	The Board should delegate to management the responsibility for the implementation of an IT governance framework.	Applied	Due to the nature and size of Ethos Capital's operations, and as an investment holding company, IT does not form a significant part its governance and the Board is satisfied with the current IT governance.
5.4	The Board should monitor and evaluate significant IT investments and expenditure.	Applied	Due to the nature and size of Ethos Capital's operations, and as an investment holding company, its direct investment into and expenditure of IT are not material to Ethos Capital.
5.5	IT should form an integral part of the company's risk management.	Applied	IT risks are considered as part of Ethos Capital's risk framework and largely focuses on business continuity and controls of the Investment Advisor.
5.6	The Board should ensure that information assets are managed effectively.	Applied	The Board is responsible for IT governance and accordingly ensures that information

Principle	Applied	Comments
		assets are identified, managed and treated as important business assets.
5.7	Applied	The Audit and Risk Committee assists the Board in carrying out its IT responsibilities.
<b>6</b>		<b>Compliance with laws, codes, rules and standards</b>
6.1	Applied	Regulatory and financial compliance and reporting is monitored by the Board on an on-going basis, assisted by the Company Secretary and advisors of the Company.
6.2	Applied	The Company Secretary, assisted by external advisors, keep the Board and Directors informed of relevant laws, rules, codes and standards, including any changes.
6.3	Applied	Compliance risk is integrated in Ethos Capital's risk management process and is monitored by the Board through the Audit and Risk Committee.
6.4	Applied	The responsibility for compliance with legislation is the responsibility of the Chief Financial Officer. The Chief Financial Officer, assisted by Audit and Risk Committee and, where necessary, external advisors, is required to design and implement appropriate compliance structures, processes and systems.
<b>7</b>		<b>Internal Audit</b>
7.1	Not - Applied	The Audit and Risk Committee considered the need for an internal audit function and concluded that, given the nature of Ethos Capital's business and operations and the services provided by the Investment Advisor, an internal audit function is currently not required and recommended that to the Board. The Board and the Audit and Risk Committee believe that the Company's systems and risk management processes are effective to manage the risks of the Company and that the systems of internal financial and business controls are effective.
7.2	Not - Applied	Refer to 7.1

<b>Principle</b>		<b>Applied</b>	<b>Comments</b>
7.3	Internal audit should provide a written assessment of the effectiveness of Ethos Capital's system of internal controls and risk management.	Not - Applied	Refer to 7.1
7.4	The audit committee should be responsible for overseeing internal audit.	Not - Applied	Refer to 7.1 The Audit and Risk Committee will consider the need for an internal audit function on an annual basis.
7.5	Internal audit should be strategically positioned to achieve its objectives.	Not - Applied	Refer to 7.1
<b>8</b>	<b>Governing stakeholder relationships</b>		
8.1	The Board should appreciate that stakeholders' perceptions affect a company's reputation.	Applied	The Board is the custodian of Ethos Capital's reputation and stakeholder relationships and appreciates the relationship between the two.
8.2	The Board should delegate to management to proactively deal with stakeholder relationships.	Applied	The Chief Executive Officer is responsible for the management of stakeholder relationships.
8.3	The Board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of Ethos Capital.	Applied	The Board recognises that there are many stakeholders interested in its performance, and takes these into account in its decision-making.
8.4	Companies should ensure the equitable treatment of shareholders.	Applied	The Board is cognisant of its duty to ensure that all Shareholders are treated equitably. This is driven by compliance with Ethos Capital's Constitution and the Listings Requirements.
8.5	Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.	Applied	Ethos Capital is committed to providing, timely, relevant, accurate, information to its stakeholders while having regard to legal and strategic considerations.
8.6	The Board should ensure that disputes are resolved as effective, efficiently and expeditiously as possible.	Applied	The Board is committed to ensuring that disputes are resolved effectively, efficiently and expeditiously. Dispute resolution clauses are included in contracts to deal with external disputes.
<b>9</b>	<b>Integrated reporting and disclosure</b>		
9.1	The Board should ensure the integrity of Ethos Capital's integrated report.	Applied	The Board, assisted by the Audit and Risk Committee, will review and approve the integrated report and ensure that it addresses all material issues, and includes a

Principle	Applied	Comments
		fair representation of the integrated performance of Ethos Capital.
9.2 Sustainability reporting and disclosure should be integrated with Ethos Capital's financial reporting.	Applied	Ethos Capital reports on sustainability matters in its Integrated Annual Report.
9.3 Sustainability reporting and disclosure should be independently assured	Not - Applied	<p>The Audit and Risk Committee considered the need for independent assurance on sustainability disclosures made in its integrated report; however, given the nature of Ethos Capital's business, it is currently deemed not necessary to seek independent assurance.</p> <p>Annual Financial Statements, contained within the integrated report, are audited by the external auditor.</p>