

Principle	Compliance reporting
<p><b>1. The governing body should lead ethically and effectively</b></p>	<p>Acsion developed a robust set of ethical standards that is displayed by its board of directors and filters down to the group. Information pertaining to ethical standards is available and communicated to all level of our employees. The board continuously monitors the declaration of interest pertaining to its board members. The company’s code of conduct forms part of all employees’ employment contracts.</p>
<p><b>2. The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.</b></p>	<p>Ethical procedures have been established throughout the group. The Executive Committee adheres to these principles and key members attend Social and Ethics Committee meetings.</p>
<p><b>3. Responsible corporate citizenship</b></p>	<p>The group adopted a corporate citizen charter during the year which is published on its website, and it seeks to manage its operations in accordance therewith. The Social and Ethics Committee oversees community programmes, BBBEE progress, gender diversity and community outreaches. BBBEE progress has been prioritised for the forthcoming year to ensure a faster attainment of contributor status which has not yet been achieved. The group actively strives to investigate alternative opportunities to improve corporate citizen profile.</p>
<p><b>4. The governing body should appreciate that the organisation’s core purpose, its risks, opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value-creation process.</b></p>	<p>Acsion’s value engineering process was established upon founding of the companies which were combined to form the group in 2004 and this core principle matches the fourth King IV principle. The board approves and monitors the implementation of business plans and policies in accordance with the company’s strategy. The group is actively investigating alternative courses of diversification in order to be sustainability and relevant in the areas that is has operations.</p>
<p><b>5. The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisations performance and its short, medium and long-term prospects.</b></p>	<p>Acsion have identified its material external and internal stakeholders. Communications to stakeholders are vetted by the board of directors, and in need be, legal consultation is obtained. Annual and interim financial statements are issued to the public every six months and where trading updates are necessary they are issued on SENS. Furthermore the group internal audit function follows a risk based approach to the execution of their duties.</p>
<p><b>6. The board is the custodian of good governance.</b></p>	<p>The board of directors complies with all suggested board appointed committees as required by either the Companies Act or King IV. Quarterly feedback is provided to the board of directors as top the performance and execution of each committee’s roles, responsibilities and findings.</p>
<p><b>7. Board composition should be constituted as recommended in the King IV report.</b></p>	<p>The board of directors and its sub-committees comply with Companies Act regulations and the recommended practices by King IV. Diversity and balance of skills are carefully assessed in terms of membership to both the board and the sub-committees.</p>

<p><b>8. Effective board structures and delegation of authority should be in place</b></p>	<p>Governance functionally structured, integrated and managed in accordance with a delegation of authority.</p>
<p><b>9. The board must conduct performance evaluations</b></p>	<p>Director self-assessments and board performance assessments were internally conducted in the year since the last integrated report. The general outcome of the self-assessment was acceptable to the board of directors. Minor housekeeping issues were identified that will be addressed in the 2024 financial year.</p>
<p><b>10. The relationship between the board and management must be balanced to ensure policy and oversight are effectively separated from executive action and that no one director has unfettered executive power.</b></p>	<p>The board has assumed this responsibility as it has absorbed the functions of the Nominations Committee as the group has a limited number of directors. The board and executive are segregated to ensure proper independent director oversight but the executives including principal officers and two key managers attend board committee meetings to ensure the board has broad enough insight into operations to limit executive power.</p>
<p><b>11. Risk must be properly governed.</b></p>	<p>The board takes ultimate responsibility for the management and governance of risk. The Audit and Risk Committee oversees the duties and reporting of the risk officer and the risk register. This function has been extended in the current year to create a pervasive risk management process throughout the group. The group embarked on an entity-wide risk management framework that should be completed in September 2024.</p>
<p><b>12. Technology and information governance best practice is required.</b></p>	<p>Technology is managed by a dedicated, experienced official with almost two decades experience with the group and a strong ethical record. IT infrastructure, controls and management are currently being reviewed with a view to upgrading them to better serve the group.</p>
<p><b>13. Compliance must be governed.</b></p>	<p>The group complies with laws and regulations and its internal established policies. Compliance is governed at various levels, for example the executive committee, internal audit and all board appointed sub-committees. The group has engaged a registered third-party tax practitioner to ensure tax compliance with laws and regulations and reporting thereof. Governance complies with King IV best practices.</p>
<p><b>14. Remuneration must be governed to ensure it meets the standards of fairness, equity, and transparency in compliance with laws and regulations.</b></p>	<p>Remuneration for employees and directors are debated and agreed upon by the Remuneration Committee. Market-related data, employee performance and compliance to current laws and regulations are meticulously taken into account.</p>
<p><b>15. Assurance services must be facilitated and monitored to ensure monitoring and management of risks, line and supervisory functions, the control environment, reporting and compliance.</b></p>	<p>The Audit and Risk Committee comprising independent directors carried out all these functions as detailed in the audit risk responsibilities itemised in the corporate governance report. Clear guidance is documented in this committee's terms of reference and tabled for discussion on a quarterly basis. Combined assurance aims to align assurance processed between internal audit and other assurance providers to deliver deeper insights on governance, risk, and control management to senior management and the Audit Committee.</p>

**16. Policies and policy implementation-  
must-follow-a stakeholder inclusive  
approach.**

The board has adopted charters for each organisational element which take account for all stakeholders' needs, with consequential policies and action. The board strives to apply a stakeholder centric approach and to provide stakeholders with relevant information that is accurate, complete and timely.