

**Comair Limited - Summary King III Application Register for 2014**

| Principle      | Principle Description                                                                                                                                                                               | Applied / Partially Applied / Not Applied |                 | Explanation / Compensating Practices |                                                                                                                                                                                                                                                                                                                                             |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                |                                                                                                                                                                                                     | Applied                                   | IoDSA GAI Score | Practices                            | Not Applied Commentary                                                                                                                                                                                                                                                                                                                      |
| Principle 2.1  | The board acts as the focal point for and custodian of corporate governance                                                                                                                         | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.2  | The Boards appreciates that the strategy, risk, performance and sustainability are inseparable                                                                                                      | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.3  | The Board provides effective leadership base on ethical foundation                                                                                                                                  | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.4  | The Board ensures that the company is and is seen to be a responsible corporate citizen                                                                                                             | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.5  | The Board ensures that the company ethics are managed effectively                                                                                                                                   | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.6  | <b>CHAPTER 3:</b> Audit Committees                                                                                                                                                                  | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.7  | <b>CHAPTER 4:</b> The governance of risk                                                                                                                                                            | Applied                                   | AA              |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.8  | <b>CHAPTER 5:</b> The governance of information technology                                                                                                                                          | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.9  | <b>CHAPTER 6:</b> Compliance with laws, rules, codes and standards                                                                                                                                  | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.10 | <b>CHAPTER 7:</b> Internal audit                                                                                                                                                                    | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.11 | <b>CHAPTER 8:</b> Governing stakeholder relationships                                                                                                                                               | Applied                                   | AA              |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.12 | <b>CHAPTER 9:</b> Integrated reporting and disclosure                                                                                                                                               | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.13 | <b>CHAPTER 7 &amp; 9:</b> The Board reports on the effectiveness of the companies internal controls                                                                                                 | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.14 | The Board and its directors act in the best interests of the company                                                                                                                                | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.15 | The Board will/has consider/ed business rescue proceedings or other turnaround mechanisms as soon as the company has been/may be financially distressed as defined in the Companies Act, 71 of 2008 | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.16 | The Board has elected a chairman of the board who is an independent non executive director. The CEO of the company does not also fulfil the role of chairman of the Board.                          | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.17 | The Board has appointed the Chief Executive Officer and has established a framework for the delegation of authority                                                                                 | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.18 | The Board comprises a balance of power, with a majority of non executive directors. The majority of non executive directors are independent.                                                        | Applied                                   | AA              |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.19 | Directors are appointed through a formal process                                                                                                                                                    | Applied                                   | AA              |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.20 | The induction of and ongoing training, as well as the development of directors are conducted through a formal process                                                                               | Partially not Applied                     | BB              |                                      | Although no induction and ongoing training programmes exist, Comair takes note of training received by directors outside of the company and directors receive informal advice and professional mentoring from the senior and more experienced directors as well as relevant information included in the Directors Manual from time to time. |
| Principle 2.21 | The Board is assisted by a competent, suitably qualified and experienced company secretary.                                                                                                         | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.22 | The evaluation of the Board, its committees and individual directors is performed every year.                                                                                                       | Applied                                   | AA              |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.23 | The Board delegates certain functions to well-structured committees without abdicating from its own responsibilities.                                                                               | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.24 | A governance framework has been agreed upon between the group and its subsidiary Boards                                                                                                             | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.25 | The company remunerates its directors and executives fairly.                                                                                                                                        | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.26 | The company has disclosed the remuneration of each individual director and prescribed officer.                                                                                                      | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |
| Principle 2.27 | The shareholders have approved the companies remuneration policy.                                                                                                                                   | Applied                                   | AAA             |                                      |                                                                                                                                                                                                                                                                                                                                             |