

Necsa – The South Africa Nuclear Energy Corporation SOC Ltd

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South African Nuclear Energy
Corporation SOC Limited

Date 21 January 2016
Ref. No. LGS-2016-MEM-0001

TO WHOM IT MAY CONCERN

**EXTRACT OF MINUTES OF THE NECSA SPECIAL BOARD MEETING HELD ON 5 MARCH 2015
AT BUILDING BEVA-GI BOARDROOM.**

This is to confirm that the Board considered and resolved to approve the Necsa Risk Management Strategy and Policy subject to the changes made.

Kind regards

AC Mabunda
Company Secretary

» **Directors** Ambassador MJ Seekoe (Chairperson), Mr ZS Mbambo, Mr Z Zibi (alternate director to Mr ZS Mbambo), Mr GP Tshelane (CEO)





» **Company Secretary** Mr AC Mabunda

REG. 2000/003735/06



Necsa Group Risk Management Policy

Necsa Group Risk Management Policy

	Name	Signature	Date
Prepared	K Semetjane		2015/02/19
Reviewed	U Natha		19/02/2015
Reviewed	D Ramjee		19/2/2015
Reviewed	R Ramatsui		19/2/2015
Recommended	P Tshelane		
Approved	Amb M Seekoe		

I'll sign on behdf of the board

Necsa Group Risk Management Policy

1. The Necsa Group Risk Management Policy is applicable to Necsa Corporate, the NTP Group of companies, the Pelchem Group of companies, and any future Necsa subsidiary companies.
2. The Necsa Group will fully comply with applicable legislative and best practice requirements including:
 - The Public Finance Management Act (PFMA) and Treasury Regulations (as per the PFMA);
 - The National Treasury Public Sector Risk Management Framework (2010);
 - The Companies Act (2008);
 - King III Code on Corporate Governance (2009);
 - ISO 31000:2009, Risk Management – Principles and Guidelines; and
 - Other requirements captured in Necsa's Safety, Health, Environmental and Quality Management System.
3. The Necsa Group will implement international best practices such as the COSO framework for risk management.
4. The Internal Risk Management Committee (IRMC) will:
 - Be chaired by the Necsa CEO and constituted of Necsa Group Executives (DE's / GE's) and subsidiary Managing Directors (MD's) or their delegates (at senior manager level);
 - Be responsible to compile, implement and monitor the Necsa Group Risk Management Plan; and
 - Propose appropriate levels for risk appetite and risk tolerance, for approval by the Necsa and subsidiary Boards of Directors.
5. Necsa DE's / GE's and subsidiary MD's will be responsible for identifying, monitoring and managing risks within their responsibility domains. In addition, MD's will be required to ensure that appropriate risk management is performed through their Groups of companies.
6. Necsa and its subsidiaries will on a regular basis identify and evaluate potential risks for the next 12 months and implement appropriate risk mitigation measures. During this process the effectiveness of established controls will also be evaluated and corrective actions will be determined where necessary.
7. The Necsa Group Corporate Plan, which is submitted annually to the Necsa Shareholder and National Treasury, will include a Necsa Group Risk Management Plan as per the PFMA requirement.

Necsa Group Risk Management Policy

8. The Necsa annual report will include risk management disclosure as per the requirements for integrated and sustainability reporting.