

BOARD ASSESSMENT BROCHURE



INTRODUCTION

It is much harder to be a director now than it was 10 years ago. Increased accountability and scrutiny, multiple stakeholder pressures and shareholder activism are all contributing to making the job a lot more onerous. Board behaviour and effectiveness are thus becoming increasingly visible to investors and other stakeholders.

WHY DO REGULAR EVALUATIONS OF PERFORMANCE?

Companies have various approaches to board evaluations in terms of methodology and objectives. In setting up the framework, the company should ask itself whether the exercise is the result of regulation or a commitment to good governance thus merely a compliance exercise, or rather one aimed at sustaining the performance of the board. While compliance to the requirements of King III may be part of such an exercise, the primary driver should be a desire to build a high-performing board, well-suited to anticipate, meet and overcome the challenges ahead. Increasingly, boards are moving away from the “check-the-box” mentality towards utilising evaluations as a tool to ensure they are aligned with the company’s long-term strategy.

Committees are the engines that power the board’s oversight, planning and decision making functions. They also enable the board to fulfil its fiduciary duties over the

full range of governance responsibilities more efficiently and effectively than the full board could do. Committees should therefore also be evaluated.

This should be a stimulating process for the board establishing whether the committees are doing the “right thing” and whether its work has been defined in an accurate statement of committee responsibilities. Committees need to acknowledge and reflect on its current framework, its strong and weak points, on opportunities to improve its functioning and performance.

HOW CAN iTHEMBA BE OF ASSISTANCE?

iThemba will assist you in evaluating the effectiveness of the board and board committees, by applying the best-suited methodology, whether it is by a web-based questionnaire tailor made for each board and committee, personal in-depth interviews or group facilitation or a combination of two or more of these methods. We offer a flexible service, always taking the needs of the client and its board into account.

The evaluation process will include a detailed report and presentation to the board, giving feed-back on the results of the process as well as recommendations to address weaknesses and enhance effectiveness to the extent possible. A detailed action list with matters identified as being in need of attention in consultation with the board will be provided to ensure ongoing monitoring of progress made in these areas.

Training solutions will be offered if necessary to enable the board to become exceptional by embracing the qualities of a continuous learning organisation.

BOARD ASSESSMENTS



iTHEMBA
GOVERNANCE AND STATUTORY SOLUTIONS (PTY)LTD

Experience isn't Expensive...it's Priceless

ABOUT Ithemba

It is proud of its reputation for **timely and professional service** and support, based on the **highest level of integrity**. iThemba also has a **Level 2 BEE** rating.

Based on our profile, iThemba equals:

- Integrity and professionalism;
- Highly experienced, motivated employees;
- A wide network and database;
- A library of intellectual property to assist clients in their governance needs;
- The requisite knowledge of and/or experience in relevant laws pertaining to the duties and responsibilities of directors and prescribed officers; and
- Years of practical experience in the private and public sectors.

iThemba has conducted several board evaluation assignments for a number of entities, in the private sector (Bankserv, Bigen Africa, Aveng Limited, AngloGold Ashanti), public sector (Eskom 2013 and 2014, ECIC, Railway Safety Regulator) and non-profit environment (ATKV). Extensive experience has been gained as a result of these assignments. As a service provider that engages with boards and board committees on a continuous basis in a number of different roles, the practical experience and insight that the iThemba team brings to the table distinguishes it from many others that approach performance evaluations from an academic perspective only.

CONFIDENTIALITY

iThemba is proud of the reputation for its professionalism and integrity it enjoys in the market. For a constructive and real contribution to the success of the assessment exercise, openness and honesty are non-negotiable. Participants are assured that responses would be treated with total confidentiality and that no response would be linked to any of the participants under any circumstances. iThemba undertakes not to provide any person with specific information regarding the responses of individual board members, except as part of the general report on findings to be submitted to the board as a whole, and remains valid. To us, confidentiality is a non-negotiable and this is borne out by the references of our high profile clients.

OUR RESOURCES

Adv Annamarie van der Merwe (B.Luris, LLB, LLM) has been a corporate lawyer and company secretary of companies in the listed environment for nearly 30 years. She is a member of the King Committee on Corporate Governance for South Africa and is currently involved in the development of King IV, focusing specifically on the chapter dealing with boards and directors. She is also a well-known presenter of workshops for directors and company secretaries on issues such as board effectiveness, statutory duties and liabilities and effective meetings.

Dr Annette de Klerk (BCom (Hons), MCom, DCom Business Management) has a wealth of experience in teaching, research and training at tertiary level as well as developmental training in the fields of finance, strategy,

and management. Annette has proven expertise in governmental compliance issues, supply chain management and procurement, the PFMA, MFMA and other related regulatory legislation. She further specialises in Corporate Governance, with specific emphasis on board assessments.

OUR OTHER VALUE ADDING SERVICES

- Company Statutory Services;
- Company Secretarial Services;
- JSE Listing Requirements Services;
- Mentoring services to company secretaries;
- Presentation of workshops to boards and management on various topics relating to compliance and good governance;
- Board Inductions and Board Manuals;
- Compilation and revision of governance related policies;
- Compilation and revision of board charters and committee terms of reference;
- Guidance to directors on corporate governance outside board and committee meetings; and
- Sourcing and assistance with placement of non-executive directors.

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