

Compliance Risk Management Process

Group Regulatory and Compliance Services (GRCS) uses **5 phases in compliance risk management process** which comprise of:

Compliance Risk Identification

Compliance Risk Assessment

Compliance Risk Management

Compliance Risk Monitoring

Regulatory and Compliance Reporting

Stakeholder Engagement

GRCS has been entrusted with the responsibility to provide guidance, support, advisory, monitoring, training and recommendations to effectively mitigate the inherent and regulatory compliance risk while embracing the compliance culture. In an effort to further meet this objective, Group Regulatory and Compliance service engages in Feedback and continuous engagements which include:

- ▶ Roadshows
- ▶ Continuous stakeholder meetings
- ▶ Stakeholder/customer satisfaction Questionnaire
- ▶ Graduate Programmes

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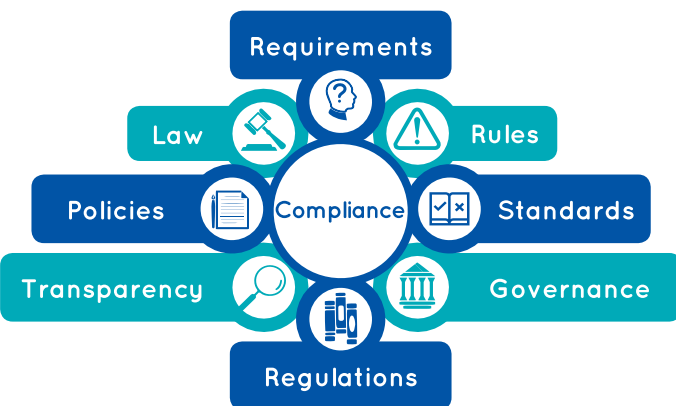
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Group Regulatory and Compliance Services



Group Regulatory and Compliance Services Definition

The Division exist to monitor compliance risk management and to maintain compliance with all policies and applicable laws and regulations in all areas of operations. The objective is to bring improvement of the governance environment by enforcing a compliance culture to achieve the organisational strategic objectives.



Why Group Regulatory and Compliance Services

Section 51(1)(h) of the PFMA requires an Accounting Authority of a public entity to comply, and to ensure compliance by the public entity, with the provisions of this Act and any other legislation applicable to that

public entity.

Regulation 14 of the revised Treasury Regulations to the PFMA requires Accounting Authority to ensure that sufficient capacity exists within their institutions to prevent, detect and mitigate any non-compliance with the applicable financial management regulatory framework; by establishing a compliance function with such roles and responsibilities as prescribed by National Treasury Instruction.

Furthermore, *Treasury Regulation 3.1.10(f) to the PFMA* requires the Audit Committee of the public entity to review, amongst other things, the institution's compliance with legal and regulatory provisions.

Principle 13 of the King IV recommends that the governing body should govern compliance with applicable laws and adopted non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen. Principle 3 further recommends that the governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.

Vision

To be a trusted partner in fostering a compliance culture that protects, upholds ethical business behavior and encourages values of integrity, transparency and accountability.

Objectives

- ▶ To monitor, create value and maintain Group compliance with all policies and applicable laws and regulations in all areas of operations,
- ▶ To bring improvement of the governance environment by enforcing compliance culture to achieve the organisational strategic objectives,
- ▶ To act as a custodian of corporate regulatory compliance framework,
- ▶ To conduct Group annual compliance assessment,
- ▶ To develop review process for monitoring and evaluation of compliance risks,
- ▶ To test and monitor business processes and systems for compliance and
- ▶ To perform trend analysis and predictive modeling for compliance operations.