

Syllabus Outline: Principles of Corporate Governance

NQF Level 6

**Prescribed Textbook: R Naidoo, Corporate Governance – An Essential Guide for Companies, (2025) Lexis Nexis¹
King V™ (IODSA)**

The overall aim of the module is to demonstrate understanding of important aspects of corporate governance.

Syllabus topics	Syllabus detailed content	Texts and readings
Learning Outcome 1: Demonstrate an understanding of the core principles of governance		
Background to corporate governance	<ul style="list-style-type: none"> Ownership and control Governance and management Accountability, responsibility and authority The importance of corporate governance in the modern era 	Naidoo: Ch 1: An introduction to corporate governance Naidoo: Ch 2: Why corporate governance matters King V™: Foundational concepts
Learning Outcome 2: Demonstrate an understanding of the composition and committees of a board		
Board composition and committees	<ul style="list-style-type: none"> The directors of a company Board committees 	Naidoo Ch 5 Composition of the Board Naidoo Ch 6 How Boards Work King V™: <ul style="list-style-type: none"> Principle 5: Composition of the governing body Principle 6: Committees of the governing body
Learning Outcome 3: Demonstrate an understanding of remuneration of directors and executives		
Remuneration of directors	<ul style="list-style-type: none"> Structure of executive remuneration Remuneration of non-executive directors 	Naidoo: Ch 14: Remuneration King V™: <ul style="list-style-type: none"> Principle 11: Remuneration
Learning Outcome 4: Demonstrate an understanding of company reporting and the need to communicate with stakeholders		
Reporting and communication	<ul style="list-style-type: none"> Financial reporting and communication Integrated reporting Stakeholder relationships 	Naidoo Ch 15 Stakeholder Capitalism and Corp Citizenship Ch 5: 5.8 Stakeholder Representation on Boards King V™: <ul style="list-style-type: none"> Principle 4: Reporting Principle 12: Assurance Principle 13: Stakeholders
Learning Outcome 5: Demonstrate an understanding of auditing as a key component of corporate governance		
Auditing	<ul style="list-style-type: none"> External audit Internal audit 	Chapter 9: Executives and Auditors 9.5 The Chief audit executive; 9.6: The external auditor King V™ <ul style="list-style-type: none"> Principle 7: Appointment and delegation to management

¹ Also prescribed for Advanced Corporate Governance NQF7

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Learning Outcome 6: Demonstrate an understanding of risk management		
Risk management	<ul style="list-style-type: none"> The risk management process Risk reporting Information Technology risk 	<ul style="list-style-type: none"> Principle 12: Assurance Naidoo Ch 11 Risk Naidoo Ch 17 Technology in the Digital Age Naidoo Ch 18 Governing AI King V™: <ul style="list-style-type: none"> Principle 8: Risk Principle 10: Data, information and technology
Learning Outcome 7: Demonstrate an understanding of compliance as a key component of corporate governance		
Compliance	<ul style="list-style-type: none"> Responsibility of compliance 	King V™ Principle 9: Compliance
Learning Outcome 8: Demonstrate a basic understanding of governance in the public sector		
Public sector governance	<ul style="list-style-type: none"> State-owned entities <ul style="list-style-type: none"> Role, context, directors, boards, shareholder, special provisions Municipalities 	Naidoo: Ch 22 The Governance of SOEs

Practical and work competencies
Given different scenarios, the learner must be able to: <ul style="list-style-type: none"> Draft a basic risk management plan Draft the section of the integrated report on remuneration. See http://integratedreportingsa.org/preparing-an-integrated-report-a-starters-guide/ Review integrated reports from different companies and evaluate them on a table of criteria. Draft a compliance schedule.

Prescribed readings

- IoDSA King V™ Report on Corporate Governance. Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.
Download from: https://cdn.ymaws.com/www.iodsa.co.za/resource/collection/7DAE15BF-07FA-4922-879E-6788368F5DB4/KingV_code.pdf

Field Code Changed

Additional readings and resources: for downloading or reading/viewing:

- PWC report on executive remuneration (latest version)²
- Introduction to risk management: <https://youtu.be/ijpqQUMRfd8>

² Download the latest version from the PWC website. The 2020 report can be found at <https://www.pwc.co.za/en/press-room/pwc-executive-directors-report-2020.html> . Note the report is updated annually.