

## Syllabus Outline: Advanced Corporate Governance

### NQF7

**Prescribed text: Naidoo R., *Corporate Governance – An Essential Guide for South African Companies* (4<sup>th</sup> ed.) (2025): LexisNexis<sup>1</sup>**

#### Chapter 3: Not for examination

The overall aim of the module is for students to develop an understanding of and apply concepts of corporate governance which are relevant to the contemporary business environment.

Syllabus topics	Syllabus detailed content	Textbook and readings
<b>Learning Outcome 1:</b> Demonstrate an understanding of the relationship between the company secretary, the board and the shareholders.		
Key roleplayers in corporate governance	<ul style="list-style-type: none"> <li>• How Companies Act                             <ul style="list-style-type: none"> <li>○ The chief executive officer</li> <li>○ The chief financial officer</li> <li>○ The company secretary</li> <li>○ The chief audit executive</li> <li>○ Board oversight of executives</li> <li>○ The external auditors</li> </ul> </li> </ul>	Ch 9: Executives and Auditors King V <sup>TM</sup> <ul style="list-style-type: none"> <li>○ Principle 1: Leadership</li> <li>○ Principle 7: Appointment and delegation to management</li> </ul>
	<ul style="list-style-type: none"> <li>• The directors                             <ul style="list-style-type: none"> <li>○ The nature of directorship</li> <li>○ The non-executive director</li> <li>○ Stewards of the future</li> <li>○ The concept of a fiduciary</li> <li>○ The nature of directors' authority</li> <li>○ The duties of directors</li> <li>○ Duty to act 'as a board'</li> <li>○ Conflicts of interest, liability and indemnity</li> </ul> </li> </ul>	Ch 7 The Individual Director
	<ul style="list-style-type: none"> <li>• The shareholders                             <ul style="list-style-type: none"> <li>○ How shareholders govern</li> <li>○ The evolving role of shareholders</li> <li>○ Boards vs shareholders: the balance of power</li> <li>○ The derivative action</li> <li>○ The expanding frontier of shareholder activism</li> <li>○ Institutional investors</li> <li>○ Concentrated ownership and dual-class share structures</li> </ul> </li> </ul>	Ch 8 The Role of Shareholders
<b>Learning Outcome 2:</b> Demonstrate an understanding of the legal framework for business operations in the South African context.		
The legal nature of a company in South Africa	<ul style="list-style-type: none"> <li>• Types of companies                             <ul style="list-style-type: none"> <li>○ King and the South African Governance Context</li> <li>○ Formation, Types and Legal Personality</li> <li>○ The memorandum of incorporation</li> <li>○ Common administrative provisions for companies</li> </ul> </li> </ul>	Ch 4 Companies Formation and Characteristics Ch 19: Companies under South African Law Ch 21 JSE Listings Requirements Ch 22 The Governance of SOEs Ch 4.6 Digital Incorporation and the Rise of E-Governance
Company types		

<sup>1</sup> Also prescribed for Principles of Corporate Governance NQF6

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	<ul style="list-style-type: none"> <li>○ Capital maintenance and the solvency and liquidity test</li> <li>○ Share capital and shareholder rights</li> <li>○ Company finance and distributions</li> <li>○ Board committees and accountability structures</li> <li>○ Subsidiary governance – a South African perspective</li> <li>● Governance of state-owned companies                             <ul style="list-style-type: none"> <li>○ The strategic role of state-owned entities in South Africa</li> <li>○ Structural foundations of SOE governance</li> <li>○ The gap between form and substance</li> <li>○ The role of boards of SOEs</li> <li>○ Directors of SOEs</li> <li>○ Remuneration of executives of SOEs</li> <li>○ The state as shareholder</li> <li>○ Operational constraints of SOEs</li> <li>○ Can SOEs succeed?</li> </ul> </li> <li>● The governance of municipalities</li> </ul>	King V™ Principle 5: Composition of the governing body – Page 11 Principle 6: Committees of the governing body – Page 15
<b>Learning Outcome 3: Demonstrate an understanding of company meetings, reports and regulatory compliance.</b>		
Reports and compliance	<ul style="list-style-type: none"> <li>● Statutory compliance</li> <li>● Integrated reports                             <ul style="list-style-type: none"> <li>○ The convergence of governance, sustainability and transparency</li> <li>○ Transparency as a governance imperative</li> <li>○ Transparency across fluid boundaries</li> <li>○ From integrated reporting to integrated thinking</li> <li>○ ESG and sustainability reporting</li> </ul> </li> <li>Accountability in the South African context                             <ul style="list-style-type: none"> <li>○ The legal framework of accountability</li> <li>○ Transparency, disclosure and reporting</li> <li>○ Regulators and their constraints</li> <li>○ Whistleblowing in the age of state capture</li> <li>○ The ethical terrain of South African companies</li> <li>○ Shareholder activism in South Africa</li> <li>○ Towards greater accountability</li> </ul> </li> </ul>	Ch 13 ESG Transparency and Reporting Ch 20: Corporate Accountability in South Africa King V™ <ul style="list-style-type: none"> <li>○ Principles 4: Reporting</li> </ul>
Meetings	<ul style="list-style-type: none"> <li>● What is a meeting?                             <ul style="list-style-type: none"> <li>○ The first board meeting</li> <li>○ Procedure at board meetings</li> <li>○ Making board meetings matter</li> <li>○ Written or round-robin resolutions</li> </ul> </li> </ul>	Ch 10 Meetings

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	<ul style="list-style-type: none"> <li>○ Exco, committee and management meetings</li> <li>○ Dysfunctional meetings</li> <li>● Where governance happens</li> </ul>	
<b>Learning Outcome 4:</b> Demonstrate an understanding of company finance in the context of corporate governance		
Securities and share capital	JSE Listed companies <ul style="list-style-type: none"> <li>○ The JSE and its listings requirements</li> <li>○ Listing a company</li> <li>○ The application process</li> <li>○ Directors, sponsors and auditors</li> <li>○ Continuing obligations of listed companies</li> <li>● Safeguarding market integrity</li> </ul>	Ch 21 JSE Listings Requirements
<b>Learning Outcome 5:</b> Demonstrate an understanding of key aspects of compliance.		
The implementation of good governance practices	<ul style="list-style-type: none"> <li>● Corporate citizenship and sustainability                             <ul style="list-style-type: none"> <li>○ Sustainability as a governance imperative</li> <li>○ The global sustainability landscape</li> <li>○ Unpacking and embedding sustainability</li> <li>○ From the triple bottom line to the triple context</li> <li>○ Systemic sustainability and the triple context</li> <li>○ Operationalising the triple context</li> <li>○ When strategy lags reality</li> <li>○ Sustainability as a licence to operate</li> <li>○ Measuring and reporting what matters</li> <li>○ From Compliance to Stewardship</li> </ul> </li> <li>The concept of stakeholder capitalism                             <ul style="list-style-type: none"> <li>○ Mapping the stakeholder landscape</li> <li>○ Can companies be citizens?</li> <li>○ Corporate citizenship, CSR and CSI</li> <li>○ A new standard of corporate responsibility</li> </ul> </li> <li>● Ethical leadership                             <ul style="list-style-type: none"> <li>○ Ethics as a moral compass</li> <li>○ Understanding ethics</li> <li>○ Key ethical issues for companies in the 21st century</li> <li>○ Governing with integrity</li> </ul> </li> <li>● The governance of technology                             <ul style="list-style-type: none"> <li>○ The board's role in technology governance</li> <li>○ AI governance</li> </ul> </li> <li>● The implementation of good governance</li> </ul>	Ch 12 Sustainability and the Triple Context Ch 15: Stakeholder Capitalism and Corporate Citizenship Ch 16: Governing with Integrity Ch 17: Technology in the Digital Age Ch 18: Governing AI Ch 23: A Practical View on Implementation King V™ <ul style="list-style-type: none"> <li>○ Principle 1: Leadership</li> <li>○ Principle 2: Ethics</li> <li>○ Principle 3: Strategy, performance and sustainable value creation</li> <li>○ Principle 10: Data, information and technology</li> <li>○ Principle 13: Stakeholders</li> </ul>

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	<ul style="list-style-type: none"><li>○ The art and science of corporate governance</li><li>○ Implementing good corporate governance</li><li>○ Digitised governance frameworks: from theory to execution</li><li>○ The human cost of governance failure</li><li>○ The shape of things to come</li></ul>	

### Practical work

Given different scenarios, the learner must be able to:

- Check compliance with the provisions of the Companies Act and Companies Regulations and other statutes.
- Provide information as requested to the board and its committees, senior management and non-executive directors.
- Check that business of the company is conducted in accordance with its objectives as contained in its memorandum of incorporation.

### Prescribed reading

- 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](https://cdn.ymaws.com/www.iodsa.co.za/resource/collection/7DAE15BF-07FA-4922-879E-6788368F5DB4/KingV_code.pdf)