



South African Reserve Bank
Prudential Authority

ADMINISTRATIVE PENALTY IN TERMS OF SECTION 167(1) OF THE FINANCIAL SECTOR REGULATION ACT 9 OF 2017

The Prudential Authority hereby imposes an administrative penalty of R10 000 000 (ten million rand) in terms of section 167(1) of the Financial Sector Regulation Act 9 of 2017 ("the Act"), on Grindrod Bank Limited, inclusive of cost, which must be paid within 14 working days from the date of this order.

The penalty arises from the breach of the required governance standards as set out in Chapter III of the Regulations relating to Banks (the Regulations), issued in terms of the Banks Act 94 of 1990, with specific reference to regulation 43 of the Regulations, for the inappropriate communication and non-disclosure of Grindrod Bank Limited's key management personnel's compensation in its publication of the Audited Annual Financial Statements for the years ended 31 December 2016 and 31 December 2017, respectively.

The matters that the Prudential Authority regarded in accordance with section 167(2) of the Act include, amongst others, the need to deter non-disclosure of prescribed information and amendments of audited annual financial statements by financial institutions in the publication thereof.

It is noted that Grindrod Bank Limited immediately published its key management personnel's compensation upon the request from the Prudential Authority to do so.

A handwritten signature in black ink, appearing to read 'Kuben Naidoo'.

Kuben Naidoo

Deputy Governor and CEO: Prudential Authority

Date: 15/2/2019