

# Introducing the draft King V - a look at the new refinement

With the release of the King V Code Draft, South Africa's corporate governance framework is set to benefit from improvements to King IV, through the incorporation of contemporary developments, enhanced usability, and standardised disclosure.

By [Dr Eric Levenstein](#) 30 May 2025



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This new draft represents a refinement and update of the King IV Code, which was originally launched in 2016. Issued by the Institute of Directors in South Africa (IoDSA) on 24 February 2025, the King V Code Draft was opened for public comment, with submissions closing on 4 April 2025.

## Objectives of the King V Code Draft

The King V Draft Code has been constructed with the following key objectives in mind -

- to provide an update to the King IV Code by taking into account recent developments in corporate governance, both locally and nationally, as well as developments in remuneration governance, sustainability reporting, and the evolving digital landscape;
- to enhance the usability of the King Code, by refining the content and presentation of the King V Code so as to support the interpretation and application of its principles; and
- to develop a standardised approach to the disclosure of the Code's application, aimed at improving accountability and comparability across organisations.

While the King V Code introduces these enhancements, the overall transition from its predecessor, King IV, is expected to be relatively smooth as the King V Code tweaks the usability and consistency of its predecessor's content as opposed to introducing any drastic amendments.

## Key enhancements in the King V Code Draft

Several important changes distinguish King V from its predecessor-

- **Deconstructed presentation:** The original single combined report format used in the King IV Code has been separated into multiple sections, each accessible via a single webpage with dedicated links making it easier to find and navigate to specific content;
- **Plain language and clarified terms:** The draft avoids technical jargon where possible and includes an updated glossary to simplify and clarify previously unclear definitions, increasing the Codes understandability;
- **Differentiation of governance practices:** Fundamental and essential governance practices are differentiated from supplementary or supportive governance practices. The latter has been removed from King V and will now be included in separate guidance notes;
- **Presumption of automatic application:** The draft encourages a disclosure regime whereby the principles of corporate governance are assumed to have been applied. Organisations are expected to disclose any recommended practices they have not implemented, provide an explanation for their exclusion, and include a narrative outlining the practices that have been adopted; and
- **Disclosure template:** The draft is accompanied by a disclosure template which sets out an outline for organisations to follow when disclosing their application of the various recommended practices. Specifically, the disclosure template individually sets out each of the principles that are assumed to have been implemented. It includes a dedicated column for exception declarations and an additional column for providing narrative explanations. This is expected to be of benefit to organisations and stakeholders as it will enhance transparency and consistency in King V disclosures across different organisations.

Although the King Codes are not part of formal legislation and therefore not legally binding, non-adherence may be viewed by the courts as indicative of poor governance when one considers governance issues for boards of directors, resulting in liability of the board in certain circumstances and which may cause reputational damage.

The King V Code Draft represents a welcome development in the ongoing journey of improving corporate governance in South Africa by ensuring the Code's consistent application by refining its content to be more user-friendly, cognisant of current developments, and by introducing a standardised disclosure template for the implementation of the various principles. With comment submissions closed, we await final feedback on content and applicability, and an official timeline for the effective implementation date of the King V Code.

### ABOUT THE AUTHOR

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