

MINERGY King IV™ summary 2021

Minergy Limited

"Minergy" or "the Group" or "the Company" are all terms used interchangeably across this summary.

(Incorporated in accordance with the laws of Botswana) (Company number: BW00001542791)

PRINCIPLE	EXPLANATION
1. The governing body should lead ethically and effectively.	The Board of Directors of Minergy hold one another accountable for decision-making and ethical behaviour. The Chairman of the Board oversees this on an ongoing basis.
2. The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	Minergy subscribes to ethical behaviour and encourages ethical standards. The Social and Ethics Committee monitors and manages the ethics of the Group.
3. The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	The Board has responsibility for monitoring the overall responsible corporate citizenship performance of the Group. Minergy is planning to support various initiatives within the planned mining and surrounding areas. The Social and Ethics Committee has been tasked with managing this important principle.
4. The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.	The Company's ability to create value in a sustainable manner is illustrated throughout its business model. The Audit and Risk Committee is tasked to assist the Board with the governance of risk and to monitor risks and to ensure the implementation of various mitigating controls. This responsibility is contained in the Audit and Risk Committee terms of reference.
5. The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects.	The Group's Integrated Annual Report provides an assessment of its performance, measured against its objectives.
6. The governing body should serve as the focal point and custodian of the corporate governance in the organisation.	The Board is the focal point and custodian of corporate governance within the Group. Further aspects of governance are addressed with greater impetus through the established Board sub-committees i.e., the Audit and Risk, Remuneration and Nominations as well as the Social and Ethics Committees.
7. The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.	The Board and its sub-committees consider on an annual basis, their composition in terms of balance of skills, experience, diversity, independence and knowledge and whether this enables it to effectively discharge its role and responsibilities. The Board is satisfied that there is a balance of skills, experience, diversity, independence and knowledge needed to discharge its role and responsibilities. Through annual self-assessment of the Board and its sub-committees, the knowledge and skills set will be evaluated and improved where required. Furthermore, where necessary the subject matter experts are available for matters requiring specialised guidance.
8. The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.	The Board and its sub-committees comply with the requirements in terms of King IV™. There is a clear balance of power to ensure that no individual/s have undue decision-making powers. The Audit and Risk Committee is satisfied that the auditor is independent, and the audit firm has been appointed with the designated audit partner having oversight of the audit. The CFO oversees the finance function. An assessment of the effectiveness of the CFO's performance is conducted annually by the Audit and Risk Committee.
9. The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.	The Board and all sub-committees' terms of reference will include the onus of annual assessments. Assessments of the performance of the Board, its sub-committees will be conducted annually by way of internal evaluation processes.

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PRINCIPLE	EXPLANATION
10. The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and effective exercise of authority and responsibilities.	A detailed Delegation of Authority policy and framework indicate matters reserved for the Board and senior management. The Board is satisfied that the Group is appropriately resourced and that its delegation to management contributes to an effective arrangement by which authority and responsibilities are exercised.
11. The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	The Audit and Risk Committee assists the Board with the governance of risk. The Board is aware of the importance of risk management as it is linked to the strategy, performance and sustainability of the Group. The Audit and Risk Committee has been tasked to implement processes by which the risks to the sustainability of the business are identified and managed within acceptable parameters. The Audit and Risk Committee delegates to management to continuously identify, assess, mitigate and manage risks within the existing operating environment. Mitigating controls are to be put in place to address these risks which are monitored on a continuous basis.
12. The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	The Board, together with the Audit and Risk Committee oversee the governance of information technology. The Board is aware of the importance of technology and information in relation to the Group's strategy.
13. The governing body should govern compliance with applicable laws and adopt, non-binding rules, codes and standards in a way that it supports the organisation being ethical and a good corporate citizen.	The Board will through the Social and Ethics Committee, monitor compliance with the various regulations the Group is subject to. There are no material penalties, sanctions or fines for contraventions of, or non-compliance with, regulatory obligations.
14. The governing body should ensure that the organisation remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in short, medium and long term.	The Board, assisted by the Remuneration and Nominations Committee ensures that employees are remunerated fairly, responsibly, transparently and in line with industry standards so as to promote the creation of value in a sustainable manner. This responsibility is contained in the terms of reference of the Remuneration and Nominations Committee.
15. The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.	The Board is satisfied that the assurance results indicate an adequate and effective control environment and integrity of reports for better decision-making. This responsibility is contained in the charter of the Audit and Risk Committee.
16. In the execution of its governance roles and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	Various stakeholder groups have been identified and the Board balances their legitimate and reasonable needs, interests and expectations.
17. The governing body of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote the good governance and the creation of value by the companies in which it invests.	N/A — Minergy is not an institutional investor.