



COMPLIANCE WITH THE PRINCIPLES OF KING IV

Mett!e Investments Limited (“the Company”) is listed on the JSE Limited’s AltX exchange. As such it is required to comply with the 16 principles set out in the fourth edition of the King Report on Corporate Governance which was published by the South African Institute of Directors on 1 November 2016 (“King IV”). The Company’s board of directors (“the Board”) will endeavour to comply with the 16 relevant Principles set out in King IV where, in the view of the Board, they apply to the Company’s businesses. These principles embody the aspirations of the journey towards good corporate governance.

The 16 King IV Principles and the extent of the Company’s compliance are set out in the table below:

Principle	Description	Compliance status	Extent of compliance
1	The governing body should lead ethically and effectively	Comply	The Board will ensure that the Company’s leadership will operate in an ethical manner and is in the process of finalising a code of ethics for the Group, which will be reviewed annually.
2	The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	Comply	The Board supports the establishment on an ethical culture throughout the Company. This is one of the essential elements of the Company’s code of ethics.
3	The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	Comply	<p>The Board sets the direction for good corporate citizenship, including compliance with the laws of South Africa and the UK (where applicable), standards as a responsible lender, its own policies and procedures, as well as congruence with the Company’s purpose, strategy and conduct.</p> <p>The Board furthermore oversees and monitors the Company’s status as a good corporate citizen in such areas as the workplace, economic behaviours and results, societal and environmental impacts.</p> <p>The concept of responsible corporate citizenship is integrated into the group strategy, and its principles underpin all key aspects of the business.</p>

Principle	Description	Compliance status	Extent of compliance
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.	Comply	The Board assumes responsibility for the Group's performance by steering the strategy and setting its core purpose and values. The formulation and development of the Group's strategy is delegated to management, but the strategy is constructively challenged by the Board with due reference to, inter alia, risks and opportunities, resources, the six capitals, the legitimate expectations of the Company's shareholders and the long-term sustainability of the organisation.
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.	Comply	The Board takes responsibility for setting the direction, approach and conduct for the Company's reporting and approves the reporting frameworks to be used. It furthermore oversees compliance with legal reporting requirements and aims to ensure that reports meet the reasonable and legitimate needs of material stakeholders to enable them to make informed assessments of the Company's performance and its short, medium and long-term prospects.
6	The governing body should serve as the focal point and custodian of corporate governance in the organisation.	Comply	The Board has compiled policies throughout the Group which ensure that the Company's corporate governance procedures are adequate and consistently applied.
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.	Comply	All members of the Board have the requisite skills and knowledge from diverse backgrounds. The Board has three executive directors, three independent non-executive directors and one non-independent, non-executive director.
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.	Comply	The independent Directors have been appointed to ensure that a greater level of independence is maintained in all business matters of the Board. In addition, the role of the chief executive officer, chairman and lead independent director are separated to ensure a balance of power and effective discharge of duties.

Principle	Description	Compliance status	Extent of compliance
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.	Comply	The Board has sub-committees in place. Each committee has its own charter which sets out rules for the committee and its members and allows for members to be assessed annually.
10	The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.	Comply	<p>Service agreements have been signed by all Executive Directors. These set out roles and responsibilities and the effective exercise of authority by each director. The Board has furthermore satisfied itself that key management functions are led by competent and appropriately authorised individuals and are adequately resourced. To this end, a delegation of authority framework has been approved.</p> <p>The Board is mandated to ensure that an adequate succession plan for each business in the Company's group is developed and approved.</p>
11	The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	Comply	The Audit and Risk Committee has undertaken to set the approach for risk governance in a manner that ensures adequate evaluation of opportunity and risk and supports the Company in setting and achieving its strategic objectives.
12	The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	Comply	The Board will set the approach and approve the policy for technology and information governance, including adoption of appropriate frameworks and standards, but the implementation of effective IT governance will be delegated to management. The Board, together with the Audit and Risk Committee, oversees 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 adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.	Comply	The Board undertakes to comply with any laws that the Company is required to comply with from time to time.

Principle	Description	Compliance status	Extent of compliance
14	The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	Comply	Mettle Investments has a remuneration policy in place to ensure that management is appropriately remunerated. The Board will assess market trends in remuneration and adjust the Company's remuneration policy if need be. The policy and the implementation thereof will be tabled for the Company's shareholder approval at annual general meetings of the Company to ensure further transparency.
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.	Comply	The Board will delegate to the Audit and Risk Committee oversight to ensure an effective internal control environment, integrity of information for management decision making and external reporting. The Board will furthermore ensure that a combined assurance model is applied that covers significant risks and material matters through a combination of the organisation's line functions, risk and compliance functions, internal auditors, external auditors and other regulatory service providers so as to enable it to assess the integrity of information and reports and form an opinion on the effectiveness of the control environment. The risk appetite of executive management, the Audit and Risk Committee and Board will determine areas of strategic and business focus, which in turn determines the level of assurance considered appropriate for identified business risks and exposures. To plan and coordinate assurance, the Company has and will design and implement a combined assurance framework, incorporating a number of assurance services, to cover adequately its significant risks and material matters so that these enable an effective control environment, support the integrity of information used as well as the integrity of the Group's external report.
16	In the execution of its governance role 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.	Comply	Whilst the effective management of stakeholder relationships will be delegated to management, the Board will ensure that a policy providing for the management of stakeholder relationships is adopted. The Company has a website where all financial reports, business updates and any other information will be made available to ensure that stakeholders are kept abreast with the Company's developments.

Note: Principle 17 of King IV does not apply to Mettle Investments Limited because it is not an "institutional investor", as defined.