

Our IFC Corporate Governance Progression Matrix Progression Matrix

Commitment to ESG (leadership and culture)

The company and its shareholders have demonstrated a commitment to implementing high-quality corporate governance, including environmental and social matters.

	Level 1 - Basic Practices	Level 2 - Intermediate practices	Level 3 - Good international practices	Level 4 - Leadership
Formalities	1. Written policies/corporate governance (CG) code addressing, at a minimum, the role of the board, rights and treatment of shareholders and other stakeholders, compliance with the law, transparency and disclosure, and stating the objectives and principles guiding the company.	1. CG code, which addresses E&S issues.		1. Adequacy of ESG policies and procedures is disclosed.
	2. Written policies that address, at a minimum, compliance with E&S law and regulations.	2. Periodic disclosure to shareholders on CG code and practices and their conformance to the country's code of best practices.		
Code of ethics and culture	3. Code of ethics and/or conduct approved by the board.	3. Code of ethics included in employee orientation program.	1. Codes of ethics and/or conduct fully integrate ESG practices in business activities.	2. Organisation culture has embedded ESG awareness and a control consciousness throughout the organisation.
Designated officer / functions	4. A company officer serves as a corporate secretary.	4. Designated full-time CG officer and/or company/corporate secretary.	2. Designated compliance function ensures compliance with ESG policies and procedures, code of ethics, and/or conduct.	
			3. Internal audit of implementation of ESG policies and procedures.	
Recognition		5. Publicly recognised as a national leader in ESG practices.	4. Publicly recognised as a regional leader in ESG practices.	3. Publicly recognised as a global leader in ESG practices.

The Renergen Board serves as the Group's executive body and is jointly accountable for ensuring the Group's long-term success and approves the Group strategy.

The Board is governed by our Code of Conduct, which addresses the Board's role, the rights and treatment of shareholders and other stakeholders, compliance with the law, transparency and disclosure, and the objectives and principles guiding Renergen. Maintaining the highest standards of corporate governance and protecting and advancing the Group's integrity and values are of the utmost importance.

We have written policies that address, at a minimum, compliance with Environmental, Health, and Safety legislation and regulations. All new employees are briefed on our policies, Code of Conduct, and Ethics.

ESG policies and procedures outlining commitments, responsibilities and standards are being developed, and education and awareness will be our focus for the year ahead. We aim to integrate ESG principles into the company culture and ensure employees at all levels understand the importance of ESG goals and their role in achieving them.

To further enshrine good governance, Renergen's company secretarial function is outsourced to an independent company, Acorim Pty Ltd, and assists the Board. Our Group Legal Counsel currently performs the role of Corporate Governance Officer, as we do not have a dedicated internal officer for this position.

Not yet implemented

In progress

Implemented

Structure and Functioning of the Board of Directors

The board of directors is qualified and adequately structured to oversee the company's strategy, management, and performance.



	Level 1 - Basic Practices	Level 2 - Intermediate practices	Level 3 - Good international practices	Level 4 - Leadership
Role, Election, and Succession	1. Board approves strategy.	1. The board is fully elected on an annual basis.	1. Board-established succession plan for its members and senior management.	
	2. Board members are given sufficient time and information to exercise their duty.			
Composition	3. The board has a number of independent directors in accordance with law and regulations.	2. 1/5 or more of board members are independent from management and controlling shareholders.	2. 1/3 or more of board members are defined as independent in accordance with international best practices.	1. 1/2 or more of the board members are defined as independent in accordance with international best practices.
		3. Board composition is based on a skills matrix.	3. Board diversity, including but not limited to gender, is achieved in all aspects.	
			4. The roles of chair and CEO are separate. Board chair is independent, or a lead independent director has been designated.	
Committees		4. Board-established audit committee.	5. Majority of audit committee membership is independent.	2. Audit committee membership 100% independent.
			6. Specialized committees address special technical topics or potential conflicts of interest (e.g., nominations, compensation, technology/ cybersecurity, E&S/ sustainability, risk management, etc.), if applicable.	3. Special board-level CG committee established.
			7. Committee of independent directors approves all material related-party transactions.	4. Specialized committees (governance, nominations, E&S/sustainability, and compensation) composed of a majority of independent directors, including the chair.
				5. Compensation committee ensures that executive compensation is based on performance and long-term incentives (and adjusted for all types of current and future risk) based on financial and nonfinancial performance.
				6. Risk management or other specialised committee with a majority of independent directors, and a majority who have experience managing risks.
Meeting Frequency	4. Board meets at least quarterly and is charged with objectively overseeing management.		8. Non-executive directors meet separately at least once a year.	7. Independent directors periodically meet separately.

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	Level 1 - Basic Practices	Level 2 - Intermediate practices	Level 3 - Good international practices	Level 4 - Leadership
Evaluation and Performance		5. The board as a whole undergoes periodic evaluation.	9. Board, committees and individual directors undergo an annual evaluation.	8. Board and committee evaluations conducted/ facilitated by a third party.
		6. Formal performance evaluation of management conducted annually.		
Oversight of E&S		7. Board is trained on general E&S risk issues.	10. Board is trained on industry E&S risk issues.	9. Special board-level committee established to review E&S issues.
			11. Strategy and risk appetite integrate E&S issues/ risks.	10. Board reviews independent audits on effectiveness of Environment and Social Management System (ESMS), including stakeholder engagement processes and grievance mechanism.
			12. At least one director has experience analysing and interpreting E&S risks.	
			13. In sensitive industries, one director or more has in-depth knowledge of E&S risks.	
			14. ESG issues are recurring board agenda items; board approves ESG strategy and E&S policies; routinely reviews E&S performance; ensures appropriate dialogue between the company and key stakeholders; and ensures effectiveness of External Communications Mechanism (ECM).	
			15. Board ensures management systems are in place to identify and manage E&S risks and impacts.	

Our Board approves our Group strategy. We provide Board members with sufficient time and information to fulfil their duties. Independent Non-executive Directors are subject to re-election by shareholders on a rotational basis at least every three years. Our Executive Directors are permanent employees with employment contracts. We based our Board composition on a skills matrix. The roles of our Chairman and CEO are separate.

Our Board comprises men and women with diverse skills, experience, backgrounds and perspectives and undergoes an annual evaluation.

The Board is responsible for ensuring:

- Relevant sustainability and ESG matters are incorporated into purpose, governance, strategy, decision-making, risk management, and accountability reporting.
- The alignment of sustainability and ESG priorities throughout the Group.
- Defined targets and metrics are identified and monitored.

- High-quality reporting, with the aim that material sustainability and ESG-related information is connected to and of the same quality as financial information.

Without abdicating its responsibilities and accountability, the Board delegates certain functions to well-structured committees which assist the Board in discharging its duties. The ESG Committee reports to the Governance, Ethics, Transformation and Social Compensation Committee (GETSC).

The ESG Committee reports to the Governance, Ethics, Transformation, and Compensation (GETSC) Committee. Our environment and Social Management System (ESMS) has not been independently audited.

For more information about our Board, structure, meeting frequency and Board Committees, please refer to the Integrated Annual Report or visit the website for governance charters and policies.

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Control Environment (Internal Control System, Internal Audit Function, Risk Governance and Compliance)

The company's internal control system, internal audit function, risk management system, and compliance function ensure sound stewardship of the company's assets, operations effectiveness, reporting accuracy, and compliance with policies, procedures, laws, and regulations.



	Level 1 - Basic Practices	Level 2 - Intermediate practices	Level 3 - Good international practices	Level 4 - Leadership
Internal Controls	1. Company has established documented internal control policies and procedures.	1. Audit committee ensures corrective actions on control deficiencies identified in Management Letters.	1. "Three lines of defence" model of risk management, internal control, and internal audit has been adopted.	1. Control environment in accordance with highest international standards, including but not limited to IIA, COSO, ISO 31000, 19600, 37001, and 27001.
				2. The organizational structure adopted by management has a positive effect on performance, productivity, and leadership effectiveness.
Internal Audit	2. Internal audit function regularly interfaces with external auditors and is accountable to the board.		2. Internal audit function is independent, objective, risk-based, and has unlimited scope of activity.	3. Audit committee ensures that the internal audit function is subject to periodic quality assessment by third party.
			3. Head of internal audit reports to the audit committee and administratively to management.	
Risk Governance		2. Board approves risk appetite.	4. Board routinely monitors risk management and compliance with policies and procedures.	
		3. Company has established risk-management framework with a chief risk officer (CRO) or equivalent with unfettered access to the board.	5. CRO reports to board-level risk management committee or equivalent.	
Compliance		4. Comprehensive compliance program annually reviewed, with mechanisms to report wrongdoing and misconduct.	6. Chief compliance officer reports to the audit committee or equivalent and administratively to management.	
		5. Designated compliance officer.		
External Audit	3. Written Management Letters provided by external auditor.		7. Audit committee owns relationship with external auditor (EA); agrees on scope and audit fees, and undertakes a periodic quality assessment of EA, using relevant Audit Quality Indicators.	4. Audit committee reviews long association of External Auditor (EA).
			8. Company has established CFO function.	
Integrating of E&S		6. Company has established industry practices in its E&S risk management practices.	9. ESG activities are highly integrated, effective, and efficient and support the strategic and operational business objectives and controls support objectives.	5. Board or sustainability committee ensures corrective actions on E&S issues.
			10. Periodic ESG, IT, and Information Security internal audits.	6. Head of ESG reports to board E&S/ sustainability committee.

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	Level 1 - Basic Practices	Level 2 - Intermediate practices	Level 3 - Good international practices	Level 4 - Leadership
Integrating of E&S			11. Comprehensive ESMS integrated in risk-management framework, and E&S risks are part of establishing the risk appetite. 12. E&S/sustainability head has unfettered access to senior management and CRO.	7. ESMS is consistent with international standards (e.g., ISO 14001).
Subsidiary Governance	4. Company can identify its subsidiaries.	7. Company has policies and procedures to control the creation and dissolution of subsidiaries.	13. Company has a centralised subsidiary governance function, and subsidiaries are categorised based on complexity and an appropriate governance framework applied to each category.	8. Board exercises oversight over the organisational structure and the activities of its subsidiaries.

We proactively manage our risks and opportunities, adhering to an integrated risk-based approach aligned with International Risk Management Standards. This approach is fundamental to Renergen's corporate strategy and good corporate governance.

As part of the EIA, we identified the risk and potential impacts on ecosystem services. The relevant specialists provided mitigation measures for this aspect, which we incorporated into the EMPR.

The Group does not have an internal audit function. The Head of ESG reports to the Governance, Ethics, Transformation and Compensation (GETSC) Committee.

For more information about our material risks and opportunities, please refer to our Integrated Annual Report. Our King IV™ application register is available on our website.



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Disclosure and Transparency

The company's financial and nonfinancial disclosures are a relevant, faithful, and timely representation of material events to shareholders and other stakeholders.



	Level 1 - Basic Practices	Level 2 - Intermediate practices	Level 3 - Good international practices	Level 4 - Leadership
Financial Reporting	1. Financial statements are audited by recognised independent external auditing firm.	1. Financial statements prepared in accordance with International Financial Reporting Standards (IFRS) or equivalent. 2. Financial statements are audited in accordance with International Standards on Auditing (ISA).	1. Audit committee oversees financial and nonfinancial reporting and audit. 2. Disclosure policy in place.	
Risk Appetite			3. Company discloses its risk appetite.	1. Risk appetite disclosure includes both qualitative and quantitative information.
Corporate Disclosure	2. Compliance with all disclosure requirements and listing rules. Investors and financial analysts are treated equally regarding information disclosure. 3. Shareholders provided with accurate and timely information on the number of shares of all classes held by controlling shareholders and their affiliates (ownership concentration).	3. Company discloses its code of ethics/ conduct.	4. Significant ultimate beneficial shareholders are disclosed. 5. All disclosure and communications with shareholders and stakeholders made available online in a relevant and timely fashion.	2. Tax transparency statement disclosed. 3. Executive compensation is disclosed
ESG Disclosure	4. ESG/sustainability reporting, if any, follows minimum national requirements.		6. Annual report includes ESG information. 7. E&S/sustainability committee reviews annual report ESG information. 8. ESG data subject to independent review. 9. Information disclosed to Affected Communities are in an understandable format and language. 10. Annual updates to locally Affected Communities.	4. Dividend policy is disclosed. 5. Nonfinancial disclosure in accordance with the highest international standards (e.g., GRI, IIRC, SASB). 6. Periodic nonfinancial reporting of ESG issues that are of concern to stakeholders. 7. ESG data is subject to an annual audit by an independent provider.

We prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) and are audited in accordance with International Standards on Auditing (ISA). The Audit, Risk and IT Committee (ARIC) oversees financial and non-financial reporting and audit.

Renergen complies with all disclosure requirements and listing rules. Investors and financial analysts are treated equally regarding information disclosure, which is readily available online. We provide shareholders with accurate and timely information on the number of shares held by

controlling shareholders and their affiliates (ownership concentration) for all classes. Please refer to the Shareholder Information section in our IAR for significant ultimate beneficial shareholders' information.

Details of remuneration paid to Directors and Independent Non-executive Directors (for the past two years) are disclosed in our Integrated Annual Report. Our Remuneration Report further highlights our remuneration philosophy framework and policy. We do not pay dividends; therefore, we do not have a dividend policy.

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Treatment of Minority Shareholders

The company's minority shareholders' rights are adequate and not abused, and other stakeholders are treated equitably.

	Level 1 - Basic Practices	Level 2 - Intermediate practices	Level 3 - Good international practices	Level 4 - Leadership
	1. All shareholders of the same class have equal voting, subscription, and transfer rights. 2. Minority shareholders receive adequate notice and the agenda for all shareholders' meetings; and are permitted to participate and vote at shareholders' meetings.	1. Effective representation of minority shareholders through cumulative voting or similar mechanisms, and economic rights such as inspection rights, exit rights, and tag-along rights. 2. Company has a dividend policy. 3. Clearly articulated and enforced policies on the treatment of minority shareholders in changes of control.	1. Effective shareholder voting mechanisms to protect minority shareholders from concentrated ownership or strong conflicts of interest with controlling shareholders (e.g., supermajority or "majority of minority." provisions). 2. Shareholders are consulted on executive compensation.	1. Treatment of shareholders consistent with the best international market practices. 2. Executive compensation is subject to shareholder approval. 3. Each share is afforded one vote at the AGM.
Protective Rights	3. Holders of all securities of the same type and class have access to equal information (fair disclosure).	4. Well-understood policy and practice of full and timely disclosure to shareholders of all material related-party transactions and shareholder agreements.	3. Well-understood policy and practices of company material transactions that could potentially affect the rights of minority shareholders. 4. Annual report discloses material risks to minority shareholders associated with controlling shareholders, ownership concentration, cross-holdings, and voting-power imbalances.	4. Related-party transactions (over 2.5% of net assets or \$150,000) are subject to shareholder approval or stricter requirements.
Investor Relations	4. Investor relations function established.		5. Investor relations functions include a program for engaging minority shareholders.	

All shareholders of the same class have equal voting, subscription, access to information (fair disclosure), and transfer rights. All shareholders who have elected to receive communication receive adequate notice and the agenda for all shareholders' meetings and are permitted to participate and vote.

Our Head of Marketing and ESG manages investor relations. To contact investor relations, please email investorrelations@renergen.co.za or visit the Contact Us page on our website to register to receive company updates and news.

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Governance of Stakeholders Engagement (SE)

The company's governance of stakeholder engagement includes oversight over stakeholder mapping, stakeholder engagement policy and grievance mechanisms.



	Level 1 - Basic Practices	Level 2 - Intermediate practices	Level 3 - Good international practices	Level 4 - Leadership
Stakeholder Mapping	1. Ad hoc stakeholder identification, including workers, customers, regulators, and the locally Affected Community.	1. Key stakeholders identified also include local nongovernmental organisations (NGOs) and civil society organisations (CSOs).	1. Formal stakeholder-mapping process and expanded definition of stakeholders includes contracted workers, primary supply- chain workers, neighbouring projects, and international NGOs and CSOs.	1. Senior executive responsible for stakeholder relationships, including ensuring integration with strategy and target setting.
Stakeholder Engagement Policy		2. Established Stakeholder Engagement (SE) policy and procedures.	2. SE policy and strategy includes procedures with stakeholder analysis, differentiated approaches for priority groups, iterative disclosure and consultation requirements, and reporting.	2. Commitment to SE visible to staff, contractors, suppliers, and collaborators via codes of conduct setting out expectations for stakeholder interactions and human rights.
				3. SE practices incorporated into requirements for primary suppliers.
				4. SE activities and outcomes included in board decision-making and external reporting procedures.
Worker Grievance Mechanism	2. HR policy and procedures for worker engagement.	3. Basic grievance mechanism for workers.	3. Management responds to grievances from workers and contracted workers on a regular basis.	5. Issues raised through the grievance mechanism for workers are analysed and resolved with the participation of a worker representative.
				6. The board is informed about the grievance outcomes and trends on a regular basis.
Affected Communities Grievance Mechanism	3. Informal response to stakeholder requests and concerns.	4. External Communications Mechanism for stakeholder questions and complaints, and if there are Affected Communities, a grievance mechanism is established.	4. External and publicly accessible communication procedure.	7. Periodic analysis of grievances to identify trends and root causes are conducted by senior management.
			5. Grievance mechanism facilitates the resolution of concerns from Affected Communities.	8. Senior management participate actively in international industry discussions on related topics.
			6. Designated Affected Communities' engagement personnel have clearly defined responsibilities, training, and reporting lines to senior management and the board.	9. SE and reporting consistent with international standards (AA 1000 Standards on Stakeholder Engagement and Accountability Principles and ISO 26000).
			7. SE policy incorporated into requirements for contractors.	
			8. Unresolved stakeholder issues require a management action plan.	

During the year under review, we underwent a stakeholder mapping process that involved identifying and prioritising stakeholders based on their interests and influence. We have established Stakeholder Engagement (SE) policies and procedures. We have a dedicated Community Liaison Officer. We have Human Resource (HR) policies, procedures, and a grievance mechanism in place for all employees to express their grievances about working conditions or terms of employment without fear of prejudice.

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