

# CORPORATE GOVERNANCE REPORT

The Company is committed to maintaining a high standard of corporate governance practices by emphasising a quality Board, sound internal controls, and transparency and accountability to all Shareholders.

## CORPORATE GOVERNANCE

The Corporate Governance Code and Corporate Governance Report (CG Code) set out in Appendix 14 of the Listing Rules has been amended and renamed the Corporate Governance Code (Revised CG Code). Part 2 of the Revised CG Code (Principles of good corporate governance, code provisions and recommended best practices) took effect on 1 January 2022. The Company has complied with all the code provisions set out in the CG Code throughout the year ended 31 December 2021, except for the deviations from code provision A.4.1 of the CG Code (deleted in the Revised CG Code) as explained under the section headed “Re-election of Directors”, code provisions A.2.7 and E.1.5 of the CG Code (code provisions C.2.7 and F.1.1 of the Revised CG Code) as explained under the section headed “Chairman of the Board and Chief Executive Officer” and “Dividend Policy” respectively and also code provision E.1.2 of the CG Code (code provision F.2.2 of the Revised CG Code) as explained below.

Code provision E.1.2 of the CG Code (code provision F.2.2 of the Revised CG Code) requires the Chairman of the Board to attend and answer questions at the AGM. Mr Guo Wenqing, the then Chairman of the Board, was not available for the AGM held on 20 May 2021 due to inability to travel to Hong Kong as a result of COVID-19 restrictions and conflicting business commitments. Accordingly, Mr Leung Cheuk Yan, an Independent Non-executive Director, a member of the Audit and Risk Management Committee and the Governance, Remuneration and Nomination Committee of the Company, was nominated by the Board to take the chair of the said meeting.

The Company adopted a Board Charter to outline the manner in which its constitutional powers and responsibilities will be exercised, delegated and discharged, having regard to principles of good corporate governance, international best practices and applicable laws. The Board Charter is adopted on the basis that strong corporate governance can add to the performance of the Company, create Shareholder value and engender the confidence of the investment market.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a model code for securities trading by Directors (Securities Trading Model Code) on terms no less exacting than the required standard of the Model Code.

Specific enquiry was made with all the Directors and all confirmed that they have complied with the requirements set out in the Model Code and the Securities Trading Model Code during the year ended 31 December 2021.

## BOARD

### COMPOSITION

The Board currently comprises seven Directors of which one is an Executive Director, three are Non-executive Directors and three are Independent Non-executive Directors.

The members of the Board as at the date of this report are as follows:

#### Executive Director

Mr LI Liangang (Interim CEO)  
(Appointed on 5 January 2022)

#### Non-executive Directors

Mr JIAO Jian (Chairman)  
(Appointed as Chairman on 5 January 2022)

Mr ZHANG Shuqiang

Mr XU Jiqing

#### Independent Non-executive Directors

Dr Peter CASSIDY

Mr LEUNG Cheuk Yan

Mr CHAN Ka Keung, Peter

The current Board possesses an appropriate balance of skills, experience and diversity of perspectives relevant to the management of the Company's business. The Directors' biographical information is set out on pages 54 to 57 under the section headed 'Directors and Senior Management' of this Annual Report.

### ROLE AND FUNCTION

The Board formulates overall strategies and policies of the Group. It also ensures the availability of adequate capital and managerial resources to implement the strategies adopted, the adequacy of systems of financial and internal control and the conduct of business in conformity with applicable laws and regulations. The Board members are fully committed to their roles and have acted in the best interests of the Group and its Shareholders at all times. There is no financial, business, family or other material/relevant relationship among the Directors.

All Directors are required to comply with Rule 3.08(d) of the Listing Rules to avoid actual and potential conflicts of interest and duty at all times. Directors are required to

# CORPORATE GOVERNANCE REPORT CONTINUED

declare their interest in the matters to be considered at each Board meeting and Board committee meeting. If a Director or any of his/her associates has material interest in the matter to be considered, the Director will not be counted in the quorum, nor allowed to vote at the meeting. The Director may also be required to withdraw from the meeting during discussion of the matter.

Board meetings are held regularly, approximately six times a year, and are also held on an ad hoc basis as required by business needs. Regular Board meetings and ad hoc Board meetings are attended by a majority of the Directors in person or through electronic means of communication.

During the year ended 31 December 2021, other than resolutions passed in writing by all the Directors, the Company held four regular Board meetings. The Company held an EGM on 4 March 2021 to approve the connected transaction in relation to the issue of new shares to connected persons under the Long-Term Incentive Equity Plan. The AGM was held on 20 May 2021.

The attendance of each Director at the Board meetings, the EGM and the AGM during the year ended 31 December 2021 is set out below. Figures in brackets indicate the maximum number of meetings held in the period in which the individual was a Board member.

| Directors                                  | Number of Meetings Attended |       |       |
|--|-----------------------------|-------|-------|
|  | Board Meetings              | EGM   | AGM   |
| <b>Executive Director</b>                  |                             |       |       |
| GAO Xiaoyu <sup>1</sup>                    | 4/(4)                       | 1/(1) | 1/(1) |
| <b>Non-executive Directors</b>             |                             |       |       |
| GUO Wenqing (Former Chairman) <sup>2</sup> | 3/(4)                       | 0/(1) | 0/(1) |
| JIAO Jian (Chairman) <sup>3</sup>          | 4/(4)                       | 0/(1) | 0/(1) |
| ZHANG Shuqiang                             | 4/(4)                       | 0/(1) | 0/(1) |
| XU Jiqing                                  | 4/(4)                       | 0/(1) | 0/(1) |
| <b>Independent Non-executive Directors</b> |                             |       |       |
| Peter CASSIDY                              | 4/(4)                       | 1/(1) | 1/(1) |
| LEUNG Cheuk Yan                            | 4/(4)                       | 1/(1) | 1/(1) |
| CHAN Ka Keung, Peter                       | 4/(4)                       | 1/(1) | 1/(1) |

Notes:

- Resigned as an Executive Director and the CEO of the Company on 5 January 2022. Mr Li Liangang was appointed as an Executive Director and the Interim CEO of the Company on the same day.
- Resigned as a Non-executive Director and the Chairman of the Company on 5 January 2022.
- Appointed as the Chairman of the Company on 5 January 2022.

## BOARD DIVERSITY

The Company has developed the Board Diversity Statement recognising and embracing the benefits of having a diverse Board to enhance the quality of its performance. With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development.

In designing the Board's composition, the Company has considered Board diversity from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

All Board appointments will be based on merit, and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board. The ultimate decision will be based on contribution that the selected candidate will bring to the Board.

The Board comprises members from a diverse background. The Company has at all times during the year had one Independent Non-executive Director who is a qualified accountant. One of the Independent Non-executive Directors is a qualified solicitor. Five Directors have experience sitting on the boards of other companies listed on the stock exchanges of Hong Kong, the PRC and Australia. Collectively the Directors have extensive experience in the metals and mining industry, trading, finance and accounting, business strategy, law, enterprise risk management and exposure or experience in various countries. Some of them are members of professional and/or industry bodies.

## CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER

The Chairman of the Board currently is Mr Jiao Jian and Mr Li Liangang is the Interim CEO of the Company. The Chairman of the Board during 2021 was Mr Guo Wenqing and the CEO was Mr Gao Xiaoyu. The roles of the Chairman of the Board and the CEO/Interim CEO of the Company are segregated to ensure their respective independence, accountability and responsibility.

The Chairman takes the lead in formulating the Group's overall strategies and policies, ensures the Board's effective performance of its functions, including compliance with good corporate governance practices, and encourages and facilitates active contribution of Directors in Board activities. Directors with different views are encouraged to voice their concerns. They are allowed sufficient time for discussion of issues so as to ensure that Board decisions fairly reflect Board consensus. A culture of openness and debate is promoted to facilitate the effective contribution of

# CORPORATE GOVERNANCE REPORT CONTINUED

Non-executive Directors and Independent Non-executive Directors and to ensure constructive relations between Executive Directors, Non-executive Directors and Independent Non-executive Directors. During the year, the Chairman did not hold a separate meeting with the Independent Non-executive Directors. The Chairman met with all the Directors including the Non-executive Directors and Independent Non-executive Directors at each Board meeting. The preliminary section of each meeting was devoted to an exchange of ideas and discussion between the Chairman and the Directors.

The Chairman also ensures that all Directors are properly briefed on issues arising at Board meetings and have received, in a timely manner, adequate information, which must be accurate, clear, complete and reliable.

The CEO/Interim CEO, supported by a management committee comprising himself and senior management (Executive Committee), is responsible for managing the day-to-day operations of the Group and executing the strategies adopted by the Board. The CEO/Interim CEO is also accountable to the Board for the implementation of the Group's overall strategies, and coordination of overall business operations.

## EXECUTIVE DIRECTOR AND EXECUTIVE COMMITTEE

The Board has delegated the management of the Group's day-to-day operations to the CEO/Interim CEO and the Executive Committee. The Executive Committee is also required to report regularly to the Board on the progress being made by the Group's businesses.

The members of the Executive Committee as at the date of this report are as follows:

Mr LI Liangang (Interim CEO and Executive Director, Executive General Manager – Australia, Africa and Commercial);

Mr Ross CARROLL (CFO);

Mr Troy HEY (Executive General Manager – Corporate Relations); and

Mr WEI Jianxian (Executive General Manager – Americas).

With effect from 1 May 2022, Mr Nan WANG will join the Executive Committee as Executive General Manager – Australia and Africa.

## NON-EXECUTIVE DIRECTORS

The Non-executive Directors (including the Independent Non-executive Directors) provide a wide range of expertise and experience and bring independent judgement on issues relating to the Group's strategies, development, performance and risk management through their contribution at Board and committee meetings.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

The Independent Non-executive Directors serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. Their participation provides adequate checks and balances to safeguard the interests of Shareholders. The Board has three Independent Non-executive Directors and one of them has accounting or related financial management expertise. The Board confirms that the Company has received from each of the Independent Non-executive Directors a confirmation of independence for the year ended 31 December 2021 pursuant to Rule 3.13 of the Listing Rules and considers such Directors to be independent.

## RE-ELECTION OF DIRECTORS

Each of the Non-executive Directors entered into an appointment agreement with the Company for a specific term of three years, except for Dr Peter Cassidy. Dr Cassidy's appointment agreement commenced on 31 December 2010 and continues until either the Company or he terminates such agreement by serving on the other not less than one month's prior written notice.

In accordance with the Company's articles of association, each Director appointed by the Board shall be subject to re-election by Shareholders at the next general meeting (in the case of filling a casual vacancy) or at the next AGM (in the case of an addition to the Board), and thereafter be subject to retirement by rotation at least once every three years at the AGM. Dr Cassidy, who was appointed by the Board on 31 December 2010 to fill a casual vacancy, is also subject to retirement from the Board by rotation at least once every three years at the AGM. Since Dr Cassidy has been appointed, he has been re-elected by Shareholders at the AGMs held in 2011, 2013, 2016 and 2019. Dr Cassidy will be subject to election again at the 2022 AGM.

## DIRECTORS' TRAINING AND CONTINUOUS PROFESSIONAL DEVELOPMENT

Every newly appointed Director receives a briefing and orientation on his legal and other responsibilities as a listed company director and the role of the Board. He also receives a comprehensive induction package covering the statutory and regulatory obligations of a director, organisational structure, policies, procedures and codes of the Company, terms of reference of Board committees and charter of responsibilities. All Directors are encouraged to participate in continuous professional development and refresh their knowledge and skills.

All Directors have been updated on the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices.

# CORPORATE GOVERNANCE REPORT CONTINUED

All Directors have participated in continuous professional development by attending seminars and/or conferences and/or forums and/or in-house trainings to develop and refresh their knowledge and skills. In addition, attendance at briefing sessions (including the delivery of speeches) and the provision of reading materials on the relevant topics contributed toward continuous professional training. All Directors provided a record of training to the Company. A summary of training attended by the Directors for the year ended 31 December 2021 is set out below:

| Directors                                  | Type of Training (Notes) |
|--|--------------------------|
| <b>Executive Director</b>                  |                          |
| GAO Xiaoyu (Resigned on 5 January 2022)    | 1, 3                     |
| <b>Non-executive Directors</b>             |                          |
| GUO Wenqing (Resigned on 5 January 2022)   | 1, 2, 3                  |
| JIAO Jian                                  | 1, 2, 3                  |
| ZHANG Shuqiang                             | 1, 2, 3                  |
| XU Jiqing                                  | 1, 2, 3                  |
| <b>Independent Non-executive Directors</b> |                          |
| Peter CASSIDY                              | 1, 3                     |
| LEUNG Cheuk Yan                            | 1, 3                     |
| CHAN Ka Keung, Peter                       | 1, 3                     |

Notes:

1. Attending seminars and/or conferences and/or forums and/or in-house trainings.
2. Delivering speeches/presentations at seminars and/or conferences and/or forums.
3. Reading journals, documentaries, books, newspapers relating to the director's duties and responsibilities.

## DIRECTORS' AND OFFICERS' LIABILITIES INSURANCE

The Company has arranged appropriate directors' and officers' liabilities insurance in respect of legal action against the Directors and officers of the Company.

## THE BOARD COMMITTEES

There are two Board committees, namely the Audit and Risk Management Committee and the Governance, Remuneration and Nomination Committee, for overseeing particular aspects of the Company's affairs.

### AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee comprises five members including three Independent Non-executive Directors, namely Mr Chan Ka Keung, Peter as Chair,

Dr Peter Cassidy and Mr Leung Cheuk Yan, and two Non-executive Directors, namely Mr Zhang Shuqiang and Mr Xu Jiqing.

The Audit and Risk Management Committee is principally responsible for (i) financial reporting related matters, such as reviewing financial information and overseeing financial reporting related systems and controls; and (ii) advising the Board on high-level risk related matters, risk management and internal control, including advising on risk assessment and oversight of the internal audit function. The terms of reference of the Audit and Risk Management Committee are available on the websites of the Hong Kong Stock Exchange and the Company.

During the year ended 31 December 2021, the Audit and Risk Management Committee held five meetings. The Committee reviewed financial reporting matters, the Company's Financial Statements, annual and interim reports, the connected transactions and the continuing connected transactions entered into by the Group and the audit fees for the year ended 31 December 2021. It also reviewed the external audit scope and plans and audit findings, material risk profile and prioritised material risk analysis including internal audit plans and audit findings, treasury, tax matters, compliance against the Risk Management Framework, and the Insurance Program including the renewals of the annual insurance and the directors and officers liabilities insurance and the programs for Audit and Risk Management Committee activities for 2021 and 2022. The Committee discussed with senior management the independence of the external auditors and the effectiveness of the external and internal audit process.

The attendance of each member at the Audit and Risk Management Committee meetings for the year ended 31 December 2021 is set out below. Figures in brackets indicate the maximum number of meetings held in the period in which the individual was a member of the Audit and Risk Management Committee.

| Members                                    | Number of Meetings Attended |
|--|-----------------------------|
| <b>Non-executive Directors</b>             |                             |
| ZHANG Shuqiang                             | 4/(5)                       |
| XU Jiqing                                  | 4/(5)                       |
| <b>Independent Non-executive Directors</b> |                             |
| Peter CASSIDY                              | 5/(5)                       |
| LEUNG Cheuk Yan                            | 5/(5)                       |
| CHAN Ka Keung, Peter (Chairman)            | 5/(5)                       |

# CORPORATE GOVERNANCE REPORT CONTINUED

## GOVERNANCE, REMUNERATION AND NOMINATION COMMITTEE

The Governance, Remuneration and Nomination Committee comprises five members including three Independent Non-executive Directors, namely Dr Peter Cassidy as Chair, Mr Leung Cheuk Yan and Mr Chan Ka Keung, Peter, and two Non-executive Directors, namely Mr Jiao Jian and Mr Xu Jiqing.

The Governance, Remuneration and Nomination Committee is principally responsible for (i) developing, reviewing and monitoring the Group's policies and practices on corporate governance to ensure compliance with the relevant legal and regulatory requirements; (ii) formulating the Company's remuneration policy and structure for all Directors and senior management and to make recommendations to the Board on the Group remuneration policy and the remuneration of all Directors and senior management; (iii) formulating the policy for nomination of Directors and leading the process of identifying and nominating candidates suitably qualified to become Board members, and reviewing the structure, size and composition of the Board and Board Committees (including knowledge, skills and experience, independence and diversity of the members) and makes recommendations to the Board with regard to any changes. The terms of reference of the Governance, Remuneration and Nomination Committee are available on the websites of the Hong Kong Stock Exchange and the Company.

During the year ended 31 December 2021, the Governance, Remuneration and Nomination Committee held seven meetings. The Committee reviewed the Mineral Resources and Ore Reserves Statement, the Whistleblower Reports, the 2021 Disclosure Reports, the performance review and evaluation of the Board and the Board Committees, the Directors and senior management training program and the Corporate Governance Report for inclusion in the annual report. It also reviewed the remuneration policy, the incentive and retention plans, annual remuneration and the programs for Governance, Remuneration and Nomination Committee activities for 2021 and 2022.

The attendance of each member at the Governance, Remuneration and Nomination Committee meetings for the year ended 31 December 2021 is set out below. Figures in brackets indicate the maximum number of meetings held in the period in which the individual was a member of the Governance, Remuneration and Nomination Committee.

| Members                                    | Number of Meetings Attended |
|--|-----------------------------|
| <b>Non-executive Directors</b>             |                             |
| JIAO Jian                                  | 3/(7)                       |
| XU Jiqing                                  | 7/(7)                       |
| <b>Independent Non-executive Directors</b> |                             |
| Peter CASSIDY (Chairman)                   | 7/(7)                       |
| LEUNG Cheuk Yan                            | 7/(7)                       |
| CHAN Ka Keung, Peter                       | 7/(7)                       |

The Company's Mineral Resources and Ore Reserves Committee and Disclosure Committee also report to the Governance, Remuneration and Nomination Committee.

The Mineral Resources and Ore Reserves Committee is responsible for overseeing the Mineral Resources and Ore Reserves reporting process and ensuring its compliance with the Listing Rules and JORC Code.

The Disclosure Committee is responsible for advising on disclosure obligations of the Company. The Company has adopted a Disclosure Framework to ensure its compliance with the disclosure obligations under the Listing Rules and the timely disclosure of inside information to the market. The Disclosure Committee comprises the Interim CEO, CFO, Executive General Manager – Corporate Relations, the General Counsel and the Company Secretary. The Disclosure Framework requires employees to refer all information that potentially requires disclosure to a member of the Disclosure Committee.

## EXECUTIVE COMMITTEE

The Executive Committee reviews safety, health and environmental and social performance in order to improve efficiency and effectiveness. Specific Safety, Health, Environment and Community (SHEC) matters to be discussed by the Board include identification, review and governance of SHEC-related material issues, significant incidents, remediation/mitigation strategies and any specific areas of focus as identified by the Board.

# CORPORATE GOVERNANCE REPORT CONTINUED

## ACCOUNTABILITY AND AUDIT

### FINANCIAL REPORTING

The Directors acknowledge their responsibility for preparing all information and representations contained in the Financial Statements for the year ended 31 December 2021 as disclosed in this Annual Report. The Directors consider that the Financial Statements have been prepared in conformity with Hong Kong Financial Reporting Standards (HKFRS) issued by the Hong Kong Institute of Certified Public Accountants and the Companies Ordinance, and reflect amounts that are based on the best estimates and reasonable, informed and prudent judgement of the Board and management with an appropriate consideration to materiality. The Directors, having made appropriate enquiries, were not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's and the Company's ability to continue as a going concern. Please refer to Note 2.1 to the Consolidated Financial Statements for further details.

Accordingly, the Directors have prepared the Financial Statements on a going-concern basis.

The statement of the Company's auditor regarding its responsibilities for the Financial Statements is set out in the Independent Auditor's Report on pages 98 to 103 of this Annual Report.

Management has provided all members of the Board with monthly updates giving a balanced and comprehensible assessment of the Company's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties.

### RISK MANAGEMENT AND INTERNAL CONTROLS

The Audit and Risk Management Committee assists the Board with regard to the oversight of the Company's risk management and internal control systems and practices.

The Risk and Audit function in MMG supports the Audit and Risk Management Committee and line management by:

- monitoring critical control failings across the industry and assessing implications for MMG;
- monitoring and reporting closeout of management agreed actions to improve control effectiveness and to correct non-compliances; and
- monitoring the Group's risk profile and reporting substantive changes in the risk profile.

The Company's risk management and internal audit processes are subject to periodic, independent external assessment against relevant International Standards and industry best practices.

The annual internal audit plan is approved by the Audit and Risk Management Committee. Its focus is on material risks to the business, both financial and non-financial.

The Audit and Risk Management Committee is responsible for ensuring that there is appropriate coordination between internal and external audit. It is also responsible for ensuring that internal audit is adequately resourced and has appropriate standing within the Group. It also reviews and monitors the effectiveness of internal audit.

MMG's Internal Audit Procedure requires the Risk and Audit function to maintain its independence. It also requires reporting, to the Chair of the Audit and Risk Management Committee, of any instance where the Group's independence may have been compromised.

### AUDITOR'S REMUNERATION

An analysis of the remuneration of the external auditor, Deloitte Touche Tohmatsu (which for these purposes includes any entity under common control, ownership or management with the external auditor or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally), for the year ended 31 December 2021 is set out as follows:

| Services Rendered        | Fee Paid/<br>Payable 2021<br>US\$'000 |
|--------------------------|---------------------------------------|
| Audit Services           | 1,461.4                               |
| Other Assurance Services | 7.1                                   |
| Non-audit Services       | 10.0                                  |
|                          | <b>1,478.5</b>                        |

- establishing and maintaining Group-wide Standards relating to risk management and assurance;
- undertaking internal audits to test compliance with Group Standards and legal obligations and to assess the adequacy and effectiveness of critical controls to material risks;
- reporting control weaknesses and non-compliances at MMG's operations;

# CORPORATE GOVERNANCE REPORT CONTINUED

## COMPANY SECRETARY

Ms Leung Suet Kam, Lucia was appointed as Company Secretary of the Company in June 2001. She is a fellow of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators). Ms Leung assists the Board by ensuring good information flow within the Board and that the Board policy and procedures including those on governance matters are followed. All the Directors are entitled to have access to the advice and services of the Company Secretary. She reports to the Chairman of the Board and also the CEO/Interim CEO. Ms Leung has attended various professional seminars during the year ended 31 December 2021, which exceed the requirements of the Listing Rules.

## SHAREHOLDERS' RIGHTS

### PROCEDURES FOR SHAREHOLDERS TO CONVENE A GENERAL MEETING

Shareholders holding at least 5% of the total voting rights of all Shareholders having a right to vote at the Company's general meeting can deposit a written request to convene a general meeting at Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong, the registered office of the Company, for the attention of the Company Secretary, or send the written request to the Company by fax at +852 2840 0580.

The written request: (i) must state the general nature of the business to be dealt with at the meeting, and (ii) may include the text of a resolution that may properly be moved and is intended to be moved at the meeting and signed by the Shareholders concerned.

The request will be verified with the Company's Share Registrar and, upon confirmation that the request is proper and in order, the Board will convene a general meeting by serving sufficient notice to all the registered Shareholders.

However, if the request has been verified as not in order, the Shareholders concerned will be advised of this outcome and, accordingly, a general meeting will not be convened as requested.

Pursuant to the articles of association of the Company and the Companies Ordinance, the notice period to be given to all the registered Shareholders for consideration of the proposed resolutions at a general meeting is not less than 14 days.

If the Directors do not within 21 days after the date on which they become subject to the requirement to call a general meeting to be held on a date not more than 28 days after the date of the notice convening the meeting, the Shareholders concerned or any of them representing more than one half of the total votes of all of them, may themselves call a general meeting, provided that such general meeting must be called for a date not more than three months after the date on which the Directors become subject to the requirement to call a meeting.

Any reasonable expenses incurred by the Shareholders concerned by reason of the failure of the Directors duly to call a general meeting shall be repaid to the Shareholders concerned by the Company.

The procedures for Shareholders to convene a general meeting are available on the Company's website.

### PROCEDURES FOR SHAREHOLDERS TO PUT FORWARD PROPOSALS AT THE ANNUAL GENERAL MEETING

Shareholders holding at least 2.5% of the total voting rights of all Shareholders having the right to vote at the AGM, or at least 50 Shareholders who have a right to vote on the resolution at the AGM to which the request relates, can submit a written request to move a resolution at the AGM.

The written request must state the resolution and be signed by all the Shareholders concerned.

The written request must be deposited at Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong, the registered office of the Company, for the attention of the Company Secretary, or sent to the Company by fax at +852 2840 0580 not later than six weeks before the AGM to which the request relates, or if later, the time at which notice is given of that meeting.

The request will be verified with the Company's Share Registrar and, upon confirmation that the request is proper and in order, the Board will include the resolution in the agenda for the next AGM in accordance with statutory requirements. However, if the request has been verified as not in order, the Shareholders concerned will be advised of this outcome and, accordingly, the proposed resolution will not be included in the agenda for the AGM.

The Company will be responsible for the expenses in serving the notice of the resolution and circulating the statement submitted by the Shareholders concerned.

The procedures for Shareholders to put forward proposals at the AGM are available on the Company's website.

# CORPORATE GOVERNANCE REPORT CONTINUED

## PROCEDURES FOR SHAREHOLDERS TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR

If a Shareholder wishes to propose a person other than a Director for election as a Director at an AGM or a general meeting, he/she can deposit a written notice to that effect signed by the Shareholder concerned at Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong, the registered office of the Company, for the attention of the Company Secretary.

The written notice must:

- state the full name of the person proposed for election as a Director;
- state the person's biographical details as required by Rule 13.51(2) of the Listing Rules; and
- be accompanied by a confirmation signed by the candidate indicating his/her willingness to be appointed.

The period for lodgement of the above notice shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such meeting, provided that such period shall be at least seven days.

If the written notice is received after the AGM/general meeting notice has been despatched but later than seven clear calendar days prior to the date of the AGM/general meeting, the Company may need to consider the adjournment of the AGM/general meeting in order to allow a sufficient period of notice.

The procedures for Shareholders to propose a person for election as a Director at an AGM/general meeting are available on the Company's website.

## PROCEDURES FOR DIRECTING SHAREHOLDERS' ENQUIRIES TO THE BOARD

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary to the registered office of the Company at Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong.

Shareholders may also make enquiries with the Board at the AGM/general meetings of the Company.

Shareholders' questions in relation to their shareholdings should be directed to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

## COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company endeavours to develop and maintain continuing relationships and effective communication with its Shareholders and investors. In an effort to facilitate and enhance the relationships and communication, the Company has adopted a Shareholder Communication Policy, which is available on the Company's website. The principles of the Shareholder Communication Policy are:

### CORPORATE COMMUNICATIONS

The Company will generally communicate with Shareholders and the investing public through the following corporate communication materials:

- financial reports (interim and annual reports), quarterly production reports and sustainability reports;
- announcements, Shareholder circulars and other disclosures through the websites of the Hong Kong Stock Exchange and the Company; and
- other corporate communications, presentations, publications and media releases of the Company.

The Company endeavours to use plain, non-technical language in all its communication materials provided to Shareholders and, where possible, the communication materials are made available in both English and Chinese.

### INVESTOR RELATIONS

The Company may from time to time conduct investor/analyst briefings and presentations, road shows, site visits, or marketing activities for the financial community.

Communications and dialogues with Shareholders, investors, analysts, media or other parties will be conducted in compliance with the disclosure obligations and requirements under the Disclosure Framework, which aims to ensure equal, fair and timely dissemination of information.

### CORPORATE WEBSITE

A dedicated 'Investors and Media Centre' section is available on the Company's website where all corporate communication materials including materials published on the website of the Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) is posted as soon as practicable after their release.



# CORPORATE GOVERNANCE REPORT CONTINUED

The following information is available on the Company's website:

- the articles of association of the Company;
- the terms of reference of the Audit and Risk Management Committee and the Governance, Remuneration and Nomination Committee;
- a summary of the procedures for Shareholders to convene a general meeting, to put forward proposals at the AGM, and to propose a person for election as a Director;
- a news archive of stock exchange announcements and media releases; and
- an events calendar setting out important dates and forthcoming events of the Company.

Information on the Company's website is updated on a regular basis. Shareholders are encouraged to subscribe to news updates.

## SHAREHOLDER MEETINGS

Shareholders are encouraged to participate in AGM/general meetings or appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend.

Board members including the Chairman of the Board, and where appropriate, Chairmen and other members of the relevant Board committees or their delegates, appropriate management executives and representatives from the Company's external auditor will attend AGM/general meetings to answer Shareholders' questions.

In addition, separate resolutions are proposed at the AGM/general meetings on each substantially separate issue.

## DIVIDEND POLICY

The Company does not have a dividend policy. The Board will decide on the declaration/recommendation of any future dividends after taking into consideration a number of factors, including the prevailing market conditions, the Company's operating results, future growth requirements, liquidity position, and other factors that the Board considers relevant. The recommendation of the payment of any dividend is subject to the discretion of the Board, and any declaration of dividend will be subject to the approval of Shareholders at the AGM.

## ENVIRONMENTAL POLICIES AND PERFORMANCE

Respect for the environment is a core part of the way MMG operates. The objective of the Company is to maximise recycling and reuse and to minimise the draw on natural resources, with water being the most significant natural resource used in our operations. The Company also seeks to minimise energy use and the use of resources in the generation of electricity.

The environmental management approach is based on the principles of plan, do, check, act and aligns to the principles of ISO14001. The approach involves identification, assessment and control of material risks across all phases of our business, from exploration through to development, operation and mine closure. The Company works in partnership with its Stakeholders to understand the challenges and opportunities of its activities, and how best to manage them.

The MMG Safety, Security, Health and Environment (SSHE) Performance Standard defines MMG's minimum requirements and provides the basis for sustainable environmental management through its deployment at its operations. These requirements are audited as part of an integrated assurance process.

Through the application of the MMG Operating Model, operations focus on essential environmental delivery work, supported by functional excellence that drives continual improvement of our management processes.

# CORPORATE GOVERNANCE REPORT CONTINUED

## KEY STAKEHOLDER RELATIONSHIPS

The Company seeks Stakeholder relationships based on trust, transparency and mutual respect for culture, values and heritage. Understanding the needs, expectations and aspirations of communities impacted by its operations is vital for the Company to achieve its vision and growth objectives.

The Company's key relationships are with its employees, communities, suppliers, governments, Shareholders, non-government organisations, industry and customers.

Areas of interest vary between each Stakeholder group but cover topics including economic performance, safety and health management, employee development and well-being, environmental management and compliance and support for community and regional development.

Stakeholders interact with the Company through a variety of avenues including direct communication and meetings, receipt of newsletters and corporate publications, disclosures to the Hong Kong Stock Exchange and membership and representation on industry associations.

MMG has relationships with a range of customers globally for the sale of its products. The sales and marketing of all products is managed by a Group Sales and Marketing function that negotiates all terms and conditions at arm's length arrangements. All prices are referenced to LME or London Bullion Market Association market prices for the appropriate product sold. Further information is discussed in the Management Discussion and Analysis on pages 18 to 53 of this Annual Report.

Information on MMG's approach to environmental, social and governance issues will be reported in the 2021 MMG Sustainability Report available on the Company's website at ([www.mmg.com](http://www.mmg.com)) in the Second Quarter 2022.

## COMPLIANCE WITH LAWS AND REGULATIONS

The Company has adopted the Corporate Legal Compliance Standard and other practices to ensure adherence to applicable legal and regulatory requirements and, in particular, those that have a significant impact on the operations of the Group. Our Governance, Remuneration and Nomination Committee is delegated by the Board to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements and such policies and practices are regularly reviewed. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and business units from time to time.

## CONSTITUTIONAL DOCUMENTS

There was no change to the Company's articles of association during the year ended 31 December 2021.