

SIYANDA BAKGATLA PLATINUM MINE

Integrated Annual
Report 2023-2024

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1. The Chairman's Report

Lindani Mthwa

As we reflect on the financial year 2023-2024, I am proud to report on Siyanda Bakgatla Platinum Mine's (SBPM) journey, which was marked by significant cost reductions despite our challenges. This year will be remembered for the volatility in Platinum Group Metals (PGM) basket prices; however, we successfully balanced austerity with operational performance and sustainable growth. All our decisions were made with a solid commitment to our local communities, employees and shareholders, demonstrating our resilience and unwavering focus on responsible and impactful mining.

The (PGM) sector continues to confront evolving challenges, from commodity price fluctuations to mounting cost pressures. And we have faced these headwinds directly. Despite these hurdles, we have advanced our strategic initiatives, built upon solid governance foundations and reaffirmed our dedication to creating sustainable value.

The past year underscored the complexities of the PGM sector. Persistent volatility in commodity prices required SBPM to implement adaptive strategies to secure profitability amid shifting market conditions. Rising inflation further compounded these pressures, increasing the cost of inputs and influencing our long-term financial planning.

These challenges have necessitated a focus on operational efficiency and innovation to drive resilience and sustainability in our business. Additionally, regulatory demands have continued to evolve, placing a premium on proactive compliance and transparency. We remain committed to aligning our strategies with these requirements, always keeping in mind our responsibilities to the communities and environments where we operate. We are also encouraged by our colleagues, i.e. employees for being resilient during these trying times.

As we change our safety mindset, we must change our mindset on utilising our resources.

In response to these industry dynamics, SBPM has focused on bolstering operational resilience and implementing various strategic measures. Our investment in extending the life of our mines is central to our growth plans, providing a long-term foundation for sustainable production. Projects such as the UG2 deeps are pivotal for future production, and we remain committed to advancing these assets to uphold our social licence to operate.





Operational efficiency has been a priority this year, and our management team has undertaken significant steps to manage costs and streamline processes. These efforts are critical in maintaining profitability while upholding the highest safety and environmental stewardship standards. The board has supported management in implementing these measures, reaffirming SBPM's commitment to adaptive, resilient operations.

At the heart of SBPM's success is our approach to sustainable development and meaningful engagement with our stakeholders. Our operations are deeply connected to the communities we serve, particularly the Bakgatla Ba Kgafela community, whose partnership is a cornerstone of our business. Over the past year, we have invested in social development projects and local economic initiatives to enhance livelihoods and support local enterprises.

Our stakeholder engagement framework prioritises transparent and respectful interactions with all parties, from employees and unions to community leaders and regulatory bodies. This year, we established forums and worked closely with local communities to address their needs and concerns, fostering mutual growth and stability. Our board remains committed to promoting these relationships, recognising that strong partnerships are fundamental to SBPM's long-term success.

Good governance and accountability are central to our approach at SBPM. Over the past year, we have strengthened our oversight mechanisms, ensuring that our actions align with our values and the principles of ethical conduct. Our board and subcommittees have worked diligently to review risk and performance across our business, guided by our ethics code and our commitment to transparency.

Environmental, Social and Governance (ESG) principles are embedded in our operations, with initiatives and policies designed to meet the highest responsible mining standards. We continually review and refine our strategies in these areas, ensuring our commitment to sustainability and accountability is upheld across all levels of the organisation. The achievement of 4 million fatality-free shifts at SBPM is a significant demonstration of a dedicated workforce. Phambili nga Basebanzi.

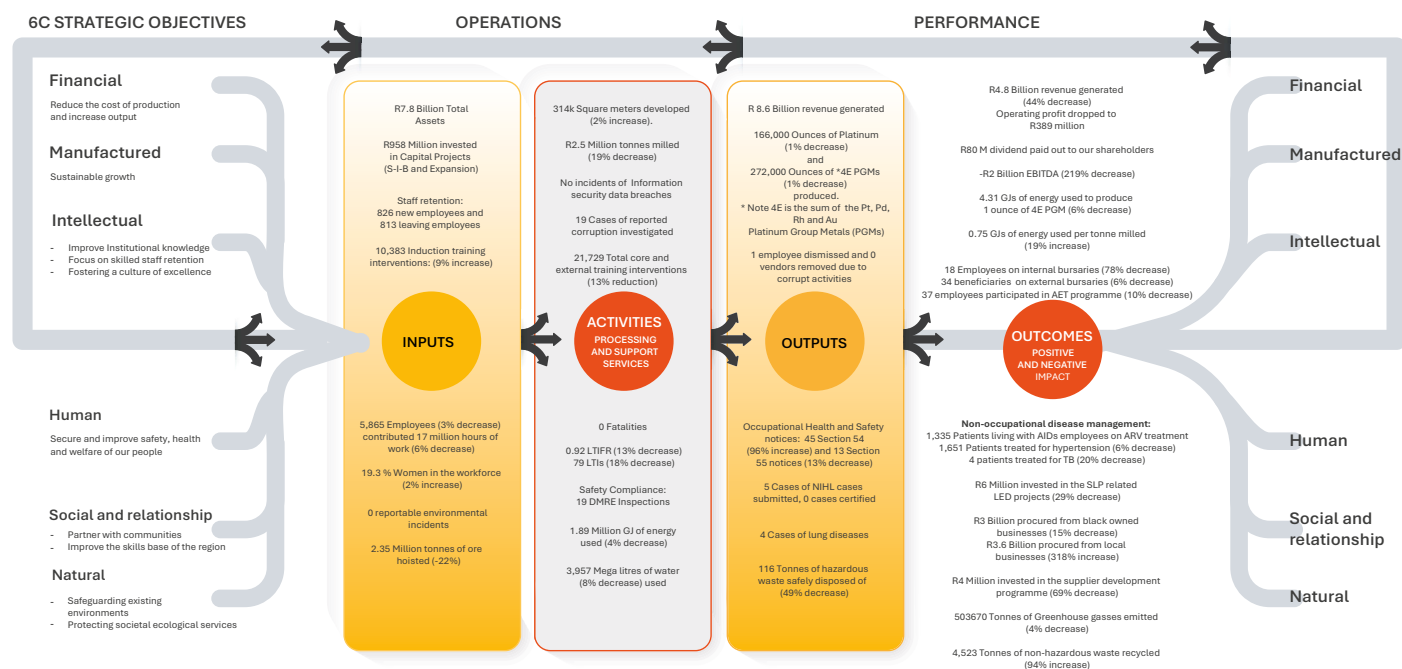
The 2024 2025 FY Outlook

We remain steadfast in our commitment to building a sustainable and resilient future for SBPM and our stakeholders, but that cannot be achieved in the business-as-usual environment.

We are an African business. Waste is not a term that exists in the natural environment, and our ancestors wasted nothing. We need to shake off our keyhole extraction mindset. We have overlooked our "waste" tailing deposits and the ore reserves stored after processing. These are not environmental liabilities but assets that add value to our stakeholders. Our resource base is not limited to PGMs; we will focus on balancing our income streams and maximising chrome extraction from our mineral-rich resource base.

Chrome is a critical mineral in the circular economy, and platinum is essential to the hydrogen economy. This positions SBPM well in the future, but in the short term, the PGM sector will continue to face challenges. Thus, we are prepared to navigate these challenges with adaptability and resolve. Our focus in the 2024-2025 FY will be on operational efficiency, stakeholder engagement, and sustainable development, which will guide us in creating long-term value.

Figure 1. SBPM's 2023-2024 FY Integrated Performance Summary



On behalf of the SBPM board, I thank our management team, employees, the state, especially for Eskon's turnaround, and partners for their support in these difficult times. Your dedication, resilience, understanding, and hard work have contributed to building a ship that can weather the worst of storms. Together, we will continue advancing SBPM's mission, building on our achievements, and fostering a harmonious future where mining and sustainability are inseparable.

Lindani Mthwa

The SBPM Context

Siyanda Bakgatla Platinum Mine (SBPM) is a black-owned Platinum Group Metal (PGM) mining and processing business.

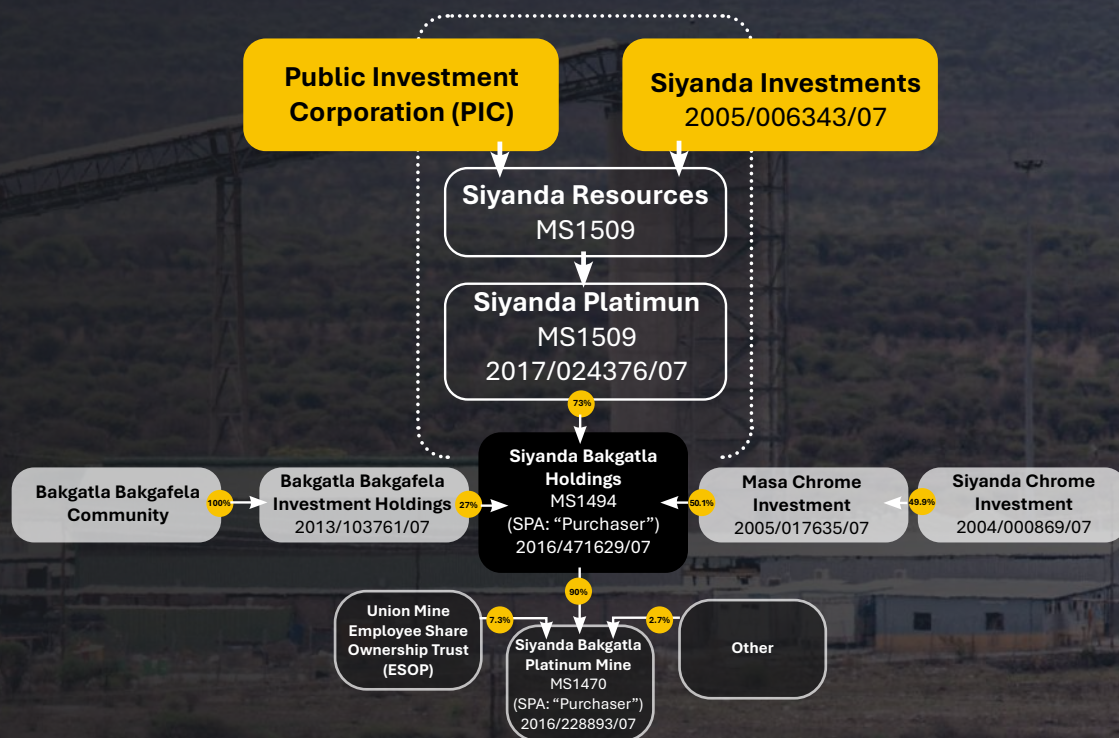
We operate within the Moses Kotane and Thabazimbi Local municipality areas, which straddle the Limpopo and North-West provinces of South Africa. However, most of the 5,283 hectares of the mine lease area lie within the Moses Kotane Local Municipality. Our head office is in Rosebank, Johannesburg, Gauteng.

Figure 2. Location of SBPM's mining and processing operations, including land under management



An essential element to consider in our geographic context is the location of our communities. As a collective, the Bakgatla Ba Kgafela community holds significant shares in our business. The location of the thirty-two villages that fall under the Bakgatla Ba Kgafela Tribal Authority is vital to the company. As a privately owned business, we are accountable to our shareholders and stakeholders. Our principal shareholders are Siyanda Platinum, the local community and our employees. The SBPM ownership structure is listed in Figure 3.

Figure 3. SBPM's ownership structure



Note: SBPM has a controlling interest in the MASA Chrome Company.

**Platinum,
Gold, Palladium
and Rhodium are
collectively known
as “4E” PGMs**

Our Business Model

Siyanda Bakgatla Platinum Mine (SBPM) is a growing, non-listed, black-owned, emerging Platinum Group Metals (PGM) mining and processing business. Our operating asset is located within the Limpopo and North-West Provinces of South Africa, and our head office is based in Rosebank, Johannesburg.

The Mine was acquired from Anglo American Platinum effective from the 1st of February 2018 by Siyanda Resources and the Bakgatla-Ba-Kgafela Joint Venture. Our business model is to extract and process Platinum Group Metals (PGMs), chrome, base metals and other byproducts from our rich reserve base. The current ROM output is from three underground mines, Spud Shaft, Richard Shaft and the Declines; additional ore from surface sources (historical dumps and tailings material) is also delivered to the plant to be treated as a blend of the ROM from underground operations.

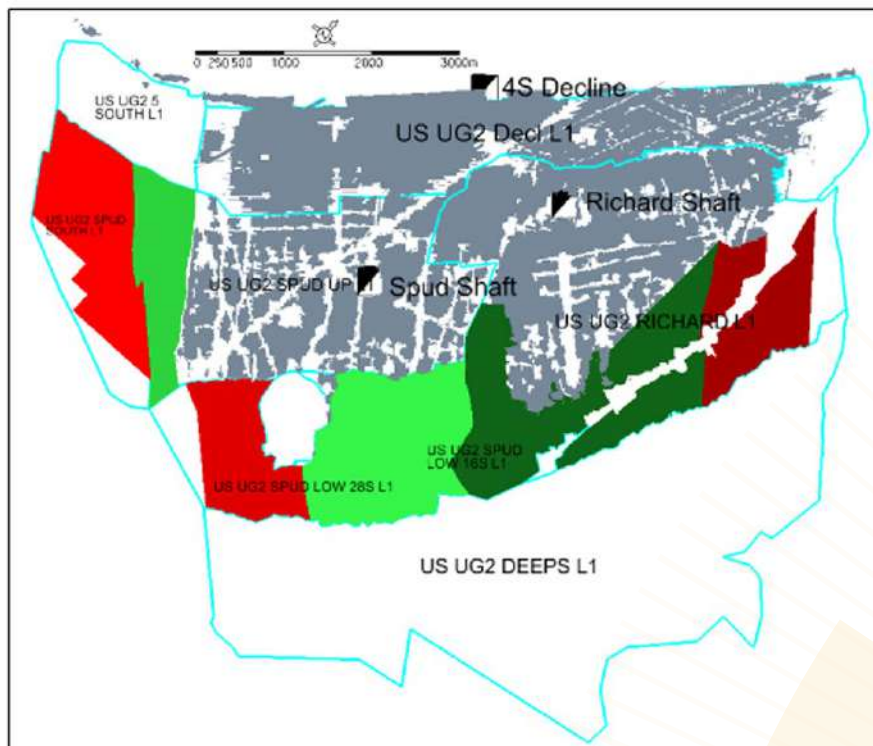
This ore is treated in milling and flotation circuits to produce a final PGM-rich concentrate sent for smelting and refining at Mortimer Smelter and Anglo-American Platinum (AAP) refineries. Chrome products are recovered after primary milling activities to produce three grades of chrome: metallurgical, chemical and foundry chrome.



Mining Overview

Most of SBPM's underground mining activities are carried out by scattered grid conventional mining methods at both Spud and Richard Shafts, whilst the Declines utilises a hybrid mining method. ROM production is mainly from the UG2 reef, with most of the Merensky reef at the upper levels previously mined and the remainder planned to be mined from 24 level and 27 level at Richard and Spud Shaft respectively. Various projects within the current lease areas are on different levels of validation and approval, such as replacement ground and life-of-mine extension. Figure 4 indicates the various investment centres within the underground lease area; the UG2 deeps area is an area of critical importance for the life of mine extension for SBPM. The work regarding the UG2 deeps is still in the conceptual phase.

Figure 4. SBPM Investment Centres Within Lease Area



Processing Overview

Platinum is a significant component of the Platinum Group Metals (PGM's). The other metals are palladium, rhodium, iridium, ruthenium and osmium. Additional products associated with PGM's are gold, copper, nickel, cobalt and chrome. SBPM's processing operations are the Mortimer and Ivan Concentrators. Siyanda Chrome Investments produces chrome by processing the tailings of Mortimer Concentrator. The Mortimer Concentrator processes the UG2 ore received from underground mining operations. The ore is delivered by trains into the concentrator reviving bins, then transported via conveyor belts. The ore passes through size reduction processes in the crusher plant and is then conveyed to the mills.

The ore is milled into a pulp, using ball mills with steel balls, freeing valuable minerals from the gangue. The pulp from the mills is then pumped to floatation cells, where reagents are added to produce a froth containing the valuable minerals. The froth is further enriched to produce a concentrate that is purchased via a purchase agreement from SBPM. This concentrate goes through a metal accounting process and is then filtered by a Larox filter at Anglo American Platinum's Mortimer Smelter. Anglo-American Platinum further processes the concentrate to produce saleable metals at their smelters and refineries.



Our Business Strategy

Our Vision Statement:

“To Sustainably increase the stakeholder’s value and extend the life of mine.”

Creating Value



An Inclusive Culture

We know culture eats strategy for breakfast. It's what inspires you to keep coming to work and makes you feel part of something bigger. At SBPM, we're a community at heart.



Our Promise

Our promise to our employees is to ensure a work environment and culture unlike any other. A space where we all feel like family with equal opportunities to grow.

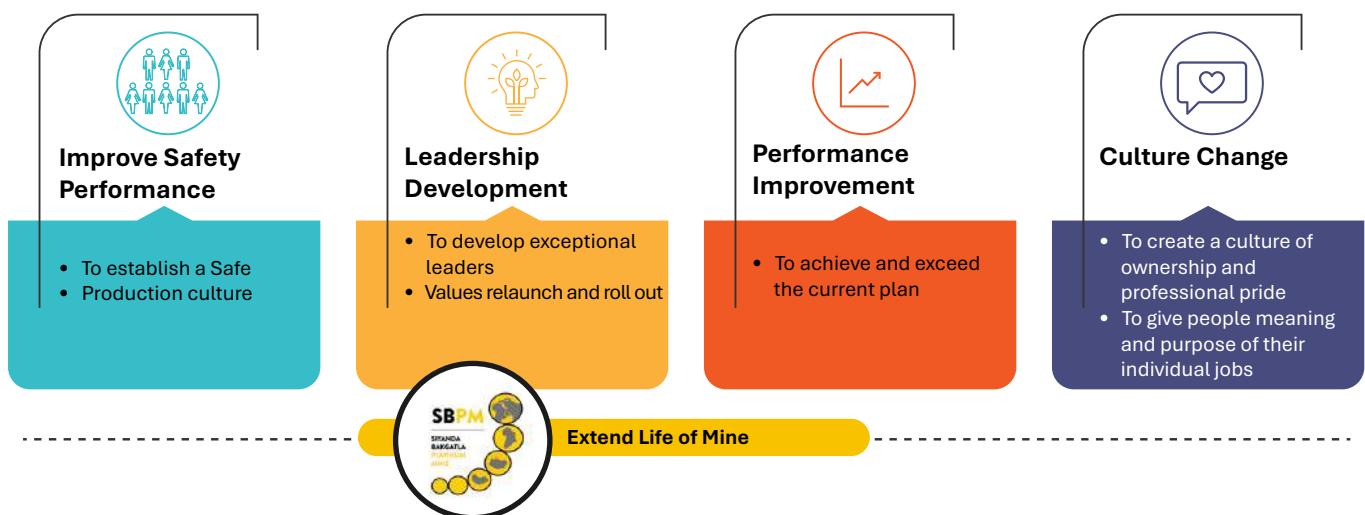


Value and Growth for you

We all would like to grow in our careers and at SBPM we place that at the centre of our business. Be it growing our employees or our surrounding communities, we're fully committed to elevating to greater heights.

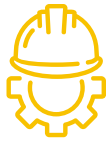
The following are the SBPM's five strategic focus areas:

Focus areas - Siyanda Exco and SBPM SLT



SBPM's 2023-2024 FY business strategy is rooted in achieving operational excellence, enhancing stakeholder value and ensuring long-term sustainability in a dynamic mining landscape.

Key focus areas at the beginning of the financial year included:



Safety and Operational Efficiency

- Achieve an LTIFR improvement target of 10% year-on-year, emphasising proactive safety measures and a culture of continuous improvement
- Enhance operational efficiencies across shafts and processing facilities, focusing on minimising downtime and optimising resource utilisation



Resource Optimisation and Life of Mine Extension

- Develop and implement strategies to maximise UG2 reef extraction, focusing on high-grade zones
- Progress critical projects, including 4B Decline and UG2 Deeps, to ensure sustainable production levels and secure the long-term viability of operations



Financial Sustainability

- Maintain a disciplined approach to cost management and operational expenditure, leveraging technology and streamlined processes
- Strengthen profitability through strategic investments in high-return projects while mitigating risks associated with market volatility



Stakeholder Engagement and Social Impact

- Deepen partnerships with local communities, particularly the Bakgatla Ba Kgafela, by aligning enterprise development and procurement initiatives with community needs
- Foster transparent communication and collaboration with regulators, employees, and community leaders to reinforce SBPM's social licence to operate



Environmental Stewardship

- Commit to robust environmental management practices, focusing on water conservation, emissions reduction and biodiversity preservation
- Advance the company's climate resilience through energy efficiency initiatives and compliance with evolving environmental regulations



Leadership and Workforce Development

- Cultivate leadership capabilities and foster a high-performance culture among employees and contractors
- Emphasise diversity, equity and inclusion to build a workforce reflective of SBPM's values and community priorities

Reporting Scope and Boundary

The report boundary covers the material impacts, both from a positive and negative perspective, that arise from our SBPM mining and processing operational activities (Refer to the activities associated with the business units listed in Table 1) and the Local Economic Development (LED) outcomes that are linked to the developed geographical region associated with the communities adjacent to our mining operation as defined by our Social and Labour Plan (Refer to the External Material Stakeholders - Communities listed in Figure 5).

Note: The head office in Rosebank, Johannesburg, falls outside the boundary of this report as it is managed under the parent company, Siyanda Resources. For internal and external integrated reporting, SBPM report on material indicators that are directly linked with the boundary of this report.

Risk Topic: 15 - Poor Mine planning - Lack of investment in long term project capital

Table 1. Scope of SBPM Operational Activities and Infrastructure

Description of Activity	Active Area Active Area	
Mining Operations	Spud Vertical Shaft Richard Vertical Shaft Decline Shaft 4 South, located within the previous opencast area	Open Cast Ivan Decline Shaft for hoisting purposes Non-operational shafts (22 Vertical Shaft and 28 Vertical Ventilation Shaft)
Process Operations and associated Tailings storage Facilities (TSF)	Mortimer UG2 Concentrator Mortimer Merensky Concentrator Ivan Concentrator	Mortimer TSF No. 3 and No. 4 TSF Airfield TSF on Farm Zwartklip 405 KQ
	Ivan TSF (two facilities)	
Central Services (supporting infrastructure)	Sewage Plant (No. 1 and No. 2 at Ivan Concentrator) Sewage Plant (No.4 at Mortimer Smelter) Barberspan Return Water Dam at Ivan Concentrator Number of Upcast and Downcast Ventilation Shafts Refrigeration Plant Old Waste Disposal Site Salvage Yard	Back-up Generators Safety Berm Walls Road and Railway Networks Overland conveyors Eskom Power Lines Water Supply Pipelines Accommodation Villages

How SBPM

Defines Materiality

“Placing engagement at the core of all business processes”

SBPM places communication or stakeholder engagement at the core of all business processes. The manner of how, why and with whom we conduct engagements is guided by the SBPM Ethics Code of Conduct as well as the External Engagement Procedure. Engagement with shareholders informs our business strategy. Engagement with our workforce ensures efficient production. Engagement with our workforce unions ensure a stable business environment. Engaging with our local and regional communities enables community business cohesion and leads to the roll out of meaningful projects. Our leadership team believes that sustainable relationships determine the ability to grow sustainably.

It is important that our communities and SBPM have a shared vision of a prosperous future. SBPM is determined to set the benchmark for mining of the future. The Bakgatla Ba Kgafela community are significant shareholders and important community stakeholders. SBPM is dedicated and motivated to perform across all aspects of our Social Mandate to Operate. These strategically important outcomes are only achieved if the successful conclusion of engagement topics is managed within all our business processes. As stakeholder engagement is the critical ingredient in achieving our strategic theme objectives. It is vital that we have a uniform manner of engagement and management outcomes.

We have established several key subcommittees to maintain high standards in managing our most material focus areas:

SHEQ Committee (SHEQCO)

This subcommittee was established during the course of the reporting period and its ToR addresses critical issues related to employee health, safety and environmental quality, including underground ventilation. Additionally, it considers the broader health and safety concerns affecting nearby communities, such as drug abuse prevention and related challenges

Technical Committee (TECHCO)

Responsible for discussing essential technical matters, this subcommittee focuses on the integrity of critical mining infrastructure, underground ventilation, and rock stability. Its oversight helps ensure operational resilience and worker safety

Social and Ethics Committee (SEC)

Overseeing all stakeholder engagements, the SEC ensures we remain aligned with community and ethical expectations. Key topics from the stakeholder engagement register are also reviewed in quarterly Senior Social Development Committee (SSDC) meetings to reinforce responsive and transparent communication with all stakeholders

Figure 5. SBPM's Material internal stakeholders

Figure 5. SBPM's Material internal stakeholders



SHAREHOLDERS

- Siyanda Resources
- PIC
- Bakgatla Ba Kgafela
- Tribal Authority (BBKTA)
- Employees



BOARD AND BOARD COMMITTEES

- ARC
- SEC
- REMCO
- TECHCO
- SHEQCO



WORKFORCE

- Executive Leadership
- Mine Management
- Employees
- Contractors
- Unions

Figure 6. SBPM's Material external stakeholders



GOVERNMENT

- Various Government departments including but are not limited to:
- Dept. of Health
- Dept. of Mineral Resources and Energy (DMRE)
- Dept. Education
- Dept. of Arts and Culture
- Dept. of Social Development
- Department of Local Government and Traditional Affairs
- Department of Community Services (Traffic Management)
- Dept. of Forestry, Fisheries and the Environment (DFFE)
- Dept of Water and Sanitation (DWS)
- South African Police Service (SAPS)



COMMUNITIES

- Bakgatla Ba Kgafela
- Baphalane Ba Mantsere
- Baphalane Ba Ramokoka
- Northam Town



SUPPLIER AND VENDORS

- Local SMMEs



LOCAL MUNICIPALITY

- Thabazimbi Local Municipality
- Moses Kotane Local Municipality
- Bojanala District Municipality
- Waterberg District Municipality



LOCAL BUSINESS FORUMS

- BBKTA Local Business Forums (32 Villages under Bakgatla)
- Northam business forums
- Thabazimbi business forum

SBPM further distinguishes the definition of ‘door-step communities’ into three sections. These being:

Level 1

- The BBKTA (Bakgatla Bakgafela Tribal Authority) are our local stakeholders that are also shareholders in SBPM and represented at Board level

Level 2

- Includes the Baphalane Ba Mantserre, Ramokoka, Swartklip and Northam towns and communities

Level 3

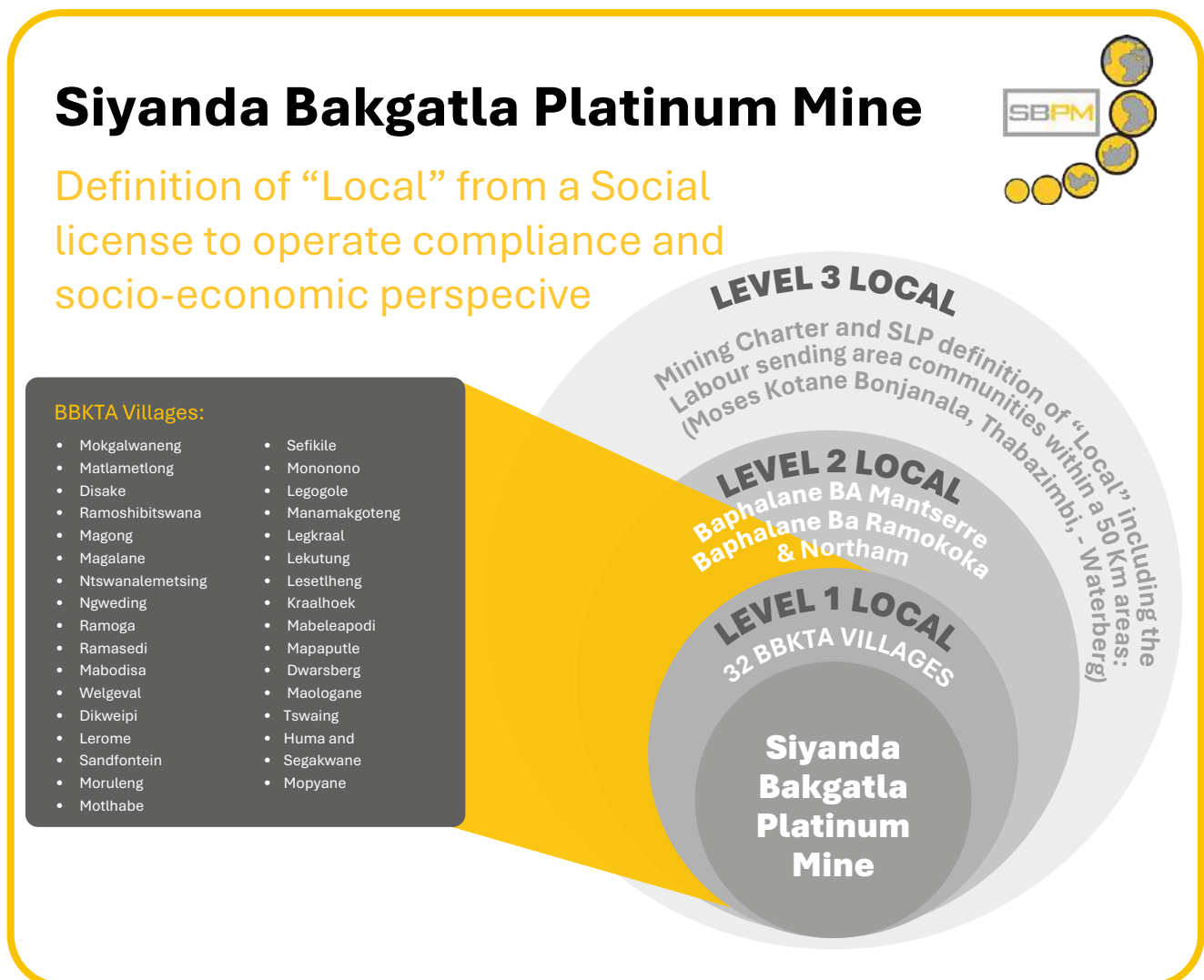
- Mining Charter and SLP defined “Local”

“Local” is defined as the labour sending area communities within 50 km of operations:

- Moses Kotane
- Bojanala
- Thabazimbi
- Waterberg

The above level distinctions are applied across the Social and Labour Plan (SLP) Local Economic Development (LED) areas, preferential procurement, supply chain and employment equity plans.

Figure 7. Defining what is “Local”



Issues or topics that impact or potentially could impact the achievement of any of our business strategy objectives are material issues. What is important to our shareholders and stakeholders is important to us. Thus, SBPM defines material risks as those risk topics which originate from stakeholders or impact on stakeholders which significantly affect the ability of the business to create value in the short, medium or long term. These usually, but not always, have linked risk controls and opportunity indicators. Table 2 lists our material topics and their respective definitions.

The content of this integrated report is framed by, but not limited to:

- The material issues that arise from engagement with our stakeholders
- Risks that arise from stakeholder engagements, managed through SBPM's integrated risk and opportunities management processes
- Shareholder Environmental, Social and Governance (ESG) investment indices
- SBPM's strategic focus areas performance indicators
- SBPM's Legal compliance framework
- Our Social and Environmental License to operate



Table 2. SBPM Material topic definitions

Material management area	Definition	SBPM's material Key Performance management areas and associated indicators
Board and Senior Management Accountability and Diversity	The SBPM Board of directors and senior management are responsible for implementing and overseeing ethical, sustainable and compliant mining practices. This leadership team is responsible for promoting a workforce that reflects a variety of demographics, skills and perspectives, fostering inclusivity and improved decision making in mining operations.	SBPM Board performance Resolutions, meeting dates and attendance register Board sub-committee performance Material Topics reviewed, Board recommendations, meeting dates and attendance register
Business Ethics and Anti-Bribery and Corruption	The SBPM Board is required to put in place a set of principles and practices aimed at promoting ethical conduct within the business and preventing corrupt practices. These principles are essential for fostering transparency, integrity and responsible business behaviour.	Whistleblowing mechanism Corruption cases reported (number of)* Corruption cases outcomes (number of)*
Tax Transparency	SBPM is required to providing clear and comprehensive information about a company's financial activities, particularly in relation to profits and taxes, where the business operates. This disclosure is essential for promoting accountability, preventing tax avoidance, and ensuring that governments receive the tax revenues they are owed.	Annual Financial Statements Direct revenue generated performance (ZAR '000)* Cost breakdown by category (ZAR '000)* Production Performance (Various UoMs)* Total milled ore performance
Information Security and Business Continuity	The strategic framework and practices aimed at protecting sensitive data and ensuring uninterrupted operations. Information Security focuses on safeguarding mining data from cyber threats, unauthorised access and breaches.	Data breach incidents (number of)*
Occupational Safety	It is a legislative requirement that SBPM is required to have a comprehensive set of policies, practices and measures designed to protect the health, safety and well-being of all individuals involved in mining operations, including workers, contractors and local communities. This encompasses strategies to prevent accidents, injuries and illnesses while promoting a culture of safety and well-being.	Lagging and Leading Safety indicators



Material management area	Definition	SBPM's material Key Performance management areas and associated indicators
Occupational Safety	Incidents that occur within mining operations where employees, contractors or other stakeholders suffer harm or fatalities as a result of accidents, unsafe working conditions or other occupational hazards are required to be reported. Responsible mining emphasises the importance of minimising and preventing such incidents through sustainable and ethical mining practices that prioritise the safety and well-being of workers and the surrounding environment.	Legal compliance notices performance (number of)* Safety lagging indicator performance (number of)* Lost time injury frequency rate (LTIFR) calculation Injury agency type performance (number of)*
Occupational and Non-Occupational Health	SBPM has committed to ensure the well-being, physical integrity, and mental health of all individuals involved in SBPM's mining and processing operations. This includes, but is not limited to: Occupational Health and healthcare services	Occupational Disease Management Hearing Loss Management Lung Disease Management Non-Occupational Disease Management 95-95-95 programme performance (% persons per category)*
Gender Equity	In the context of the SA mining industry, SBPM is required to promoting fairness and equality between genders, particularly addressing disparities in employment opportunities, social programs and the impacts of mining activities.	Women in Mining (WIM)
Training and Development of Workers	The primary aim of training the SBPM workforce is to ensure that workers have the knowledge, skills and awareness needed to perform their jobs safely, efficiently and in an environmentally responsible manner while also respecting the rights and well-being of local communities.	Core and External Training Adult Education and Training (AET) HRD Learning and Bursary Programmes (individuals in programme)* SLP - Investment in HRD
Rights to Organise, Collective Bargaining and Freedom of Association	Rights to Organise, Collective Bargaining, and Freedom of Association are legislated requirements. SBPM is required to demonstrate that the workforces can join the labour union of their choice, to collectively negotiate employment terms, working conditions, and other workplace-related matters.	Shareholders Obligation Preferential Procurement Supplier Development
National and Supranational Procurement	The Mining Charter specifies that SBPM meets targets related to the acquisition of goods, services and contracted labour from black owned companies. This procurement approach aims to redress the inequalities that resulted from Apartheid.	Compliance Preferential Procurement

Material management area	Definition	SBPM's material Key Performance management areas and associated indicators
Local Procurement	Local procurement involves sourcing goods and services locally whenever feasible, thereby supporting local businesses and contributing to the economic sustainability of SBPM local communities and specifically the local community shareholders. This includes a commitment to developing local suppliers	Shareholders Obligation Preferential Procurement Supplier Development
Community and Stakeholder Engagement	The deliberate and ongoing process of involving and collaborating with the material stakeholders. This is defined as those stakeholder groups or individuals who are directly or indirectly affected by the activities of the business. This engagement seeks to build trust, foster open communication and ensure that the interests, concerns and perspectives the material stakeholders are considered and integrated into the planning, implementation and decision-making processes related to mining activities.	SBPM Material Stakeholders Community Grievance Mechanism LED SLP2 and SLP3
Socio Economic Development	The practice of extracting minerals and resources from the earth in a manner that prioritises both economic benefits and the well-being of society while minimising negative environmental and social impacts. This concept of Socio-Economic Development imperative is a Legislative Social License to operate management area.	SLP Programme expenditure by LED category LED SLP2 and SLP3 Sponsorship and Donations
Community Health	SBPM has multiple management areas that ensure the comprehensive well-being and health status of the local communities living near mining areas. This encompasses physical, mental, social and environmental aspects of health and is a critical consideration in mining operations. Responsible mining companies are committed to protecting and promoting the health of these communities.	SLP Programme expenditure by LED category
Environmental Stewardship	SBPM has management plans in place that are tracked and assessed for efficacy to managing critical environmental risks and opportunities. This involves addressing and reporting on a range of environmental issues, including climate change, emissions reduction, waste management, resource conservation, water conservation, and biodiversity and ecosystem services protection.	Environmental Incidents Environmental Authorisations Water Use Water Quality Air Quality Waste and Effluents Applicable Environmental Authorisations for projects

Material management area	Definition	SBPM's material Key Performance management areas and associated indicators
Tailings Management	SBPM has in place a comprehensive planning, design and implementation framework of strategies and practices to handle, store and mitigate the potential risks associated with mine tailings safely and environmentally responsibly. Tailings are the finely ground, often toxic, waste materials that remain after the valuable minerals have been extracted from ore during the mining process. Responsible tailings management aims to minimise negative environmental and social impacts while ensuring the long-term safety and stability of tailings storage facilities.	Addressed in risk register No reporting indicator
Water	Water is a critical issue in the context of human health, processing and for sustainable development. SBPM recognises that the access to clean water is a human right and supports healthy populations and ecosystems.	Water Use and Water Quality
Climate Change and Energy Efficiency	SBPM recognises that climate change is a reality. SBPM has made commitment to conduct the operations in a manner that recognizes the global challenges posed by climate change and actively seeks to mitigate their environmental impact. This includes understanding regional and social impacts, having a culture of transparency and disclosure. A commitment to mitigating the impacts of the mine's activities on climate change and sticking to emissions targets is a key responsibility of the SBPM SED board subcommittee.	Energy Use Energy Efficiencies GHG Calculations Emissions reporting
Waste Management	SBPM is required to effectively and categorised waste and safely dispose of hazardous and non-hazardous materials associated with mining operations.	Waste Management and disposal method Hazardous Non-Hazardous
Project Approval Process	In the South African mining arena, the government has a series of structured and comprehensive processes and evaluations that a mining project must undergo before it is granted the necessary permits and approvals to proceed with exploration, development and operations. This process is designed to assess the project's environmental, social, economic and regulatory implications, with a focus on sustainability and responsible practices.	Mining infrastructure and capital projects Authorisations

Alignment of SBPM material indicators to responsible mining index (RMI) and sustainability reporting standards

Reporting Methodology

Throughout this report, we refer to material performance indicators that stem from:



Stakeholder
Engagement
Topics



Indicators used to
assess performance
against business
strategic objectives



Performance
indicators reported to
SBPM Board and
Sub-committees



Key indicators
for assessing the
effectiveness of risk and
opportunity controls

We have aligned these indicators to sector-specific Mining and Mineral external Environmental, Social and Governance (ESG) reporting standards. The report content and performance indicators used in this report are aligned with the management and reporting elements defined by the SBPM ESG Framework document.

Using the IR 6 Capitals framework, we have aligned the SBPM material indicators to the following guidelines and standards:

- Responsible Mining Index (RMI) management areas
- Sustainable Accounting Standards Board (SASB) Mining and Mineral Standard
- Global Reporting Initiative (GRI) G4 Standard
- United Nation's Sustainable Development Goals (SDGs)

Alignment of our material indicators to these guidelines and reporting standards can be found in Table 3.

Table 3. Alignment of SBPM material indicators to responsible mining index (RMI) and sustainability reporting standards

SBPM's Material Indicators are classified by IR 6 Capital Reporting Area and Business Function	Strategy Impacted	Responsible Mining Index (RMI) Management Area	UN Sustainable Development Goals (SDGs)	GRI G4 and SASB Alignment
Financial Capital - Economic Performance				
Direct revenue generated performance (ZAR '000*)	Legal mandate to operate	B.04 - Tax Transparency	 	GRI 201: Economic Performance 2016
Cost breakdown by category (ZAR '000*)				GRI 202: Market Presence 2016
Production Performance (Various UoMs*)		Not Applicable		GRI 203: Indirect Economic Impacts 2016
Total milled ore performance (Tonnes)*		Not Applicable		
Manufactured Capital – Mining and Processing Infrastructure				
Mining, Environmental and Social infrastructure investment (ZAR)		C.01 - Mine Lifecycle Management	  	Infrastructure Development
Intellectual Capital- Governance and Ethics				
Board and Board Subcommittee oversight		Not Applicable		GRI 103: Management Approach 2016
Corruption cases reported (number of*)	Business Continuity, Reg. License to Operate (RLtO)	B.01 - Business Ethics and Anti-Bribery and Corruption	 	GRI 205: Anti-corruption 2016 EM-MM-510a.1: Description of management system for prevention of corruption and bribery throughout the value chain
Corruption cases outcomes (number of*)				
Intellectual Capital- Governance and Ethics				
Data breach incidents (number of*)	Business Continuity	E.06 - Automation and Technological Change		GRI 410: Security Practices
Human Capital- Employment Practices				
Employee categorisation by level, race and gender performance (number of*)		E.03 - Non-Discrimination and Equal Opportunity; D.07 Gender Equity	  	GRI 405: Diversity and Equal Opportunity 2016 EM-MM-000.B: Total number of employees, percentage of contractors
New and leaving employees by level, race and gender (number of*)		E.03 - Non-Discrimination and Equal Opportunity; D.07 - Gender Equity		
Union representation (%)	Reg. License to Operate (RLtO); Soc. License to Operate (SLtO)	E.04 - Rights to Organise, Collective Bargaining and Freedom of Association	 	GRI 402: Labour / Management Relations 2016

SBPM's Material Indicators are classified by IR 6 Capital Reporting Area and Business Function	Strategy Impacted	Responsible Mining Index (RMI) Management Area	UN Sustainable Development Goals (SDGs)	GRI G4 and SASB Alignment
Intellectual Capital- Governance and Ethics				
Core and external training performance (Number of training interventions) *		MS.13 - Training of Workers		GRI 404: Training and Education 2016
Adult Education Training (AET) programme performance (number of training interventions*)				
HRD Learning and Bursary Programme (Number of training interventions*)				
Investment in SBPM's HRD programmes (ZAR*)				
Human Capital- Safety				
Legal compliance notices performance (number of*)	Reg. License to Operate (RLtO)	MS.10 Safety and Health of Workers	 	GRI 403: Occupational Health and Safety 2016 - Safety
Safety lagging indicator performance (number of*)	Reg. License to Operate (RLtO)	MS.10 Safety and Health of Workers		
Lost time injury frequency rate (LTIFR) calculation	Business Continuity, Reg. License to Operate (RLtO)	MS.12 - Workplace Deaths and Injuries		
Injury agency type performance (number of*)	Business Continuity, Reg. License to Operate (RLtO)	MS.12 - Workplace Deaths and Injuries		
Human Capital-Health				
Non-occupational health treatment performance (ave. persons treated*)		MS.10 Safety and Health of Workers	 	GRI 403: Occupational Health and Safety 2016 -
ARV Management programme performance (ave. persons treated*)				
ARV Management programme performance (ave. persons treated*)				
Occupational health treatment performance (ave. persons treated*)				
95-95-95 programme performance (% persons per category*)				

SBPM's Material Indicators are classified by IR 6 Capital Reporting Area and Business Function	Strategy Impacted	Responsible Mining Index (RMI) Management Area	UN Sustainable Development Goals (SDGs)	GRI G4 and SASB Alignment
Social and Relationship Capital -Supply Chain				
Preferential procurement (ZAR*)		A.02 National and Supranational Procurement; MS.02 Local Procurement		GRI 204: Procurement Practices 2016
Local procurement ringfencing (ZAR and number of businesses*)		A.02 National and Supranational Procurement; MS.02 Local Procurement		GRI 414: Supplier Social Assessment
Review of Total Spend (ZAR*) Review of expenditure on black-owned companies by category (ZAR*)		A.02 National and Supranational Procurement; MS.02 Local Procurement		GRI 419: Socio-Economic Compliance 2016
SLP Programme expenditure by LED category				GRI 419: Socio-Economic Compliance 2016
Total energy consumption within the organisation by source in performance (Gigajoules)* Energy efficiency performance (G) of energy to produce one ounce of 4E pgms)	Env. License to Operate (ELtO)	F.06 Climate Change and Energy Efficiency		GRI 302: Energy 2016 EM-MM-130a.1: 1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable
Volumes of water withdrawal from all areas performance (Megalitres*) Volume of water reused performance (Megalitres*) Volume of water recycled performance (Megalitres*)	Env. License to Operate (ELtO)	F.03 - Water		GRI 303: Water and Effluents 2018 EM-MM-140a.1: (1) Total freshwater withdrawn, (2) total freshwater consumed, percentage of each in regions with High or Extremely High Baseline Water Stress
Total GHG emissions performance (metric tons of CO2 equivalent*)	Env. License to Operate (ELtO)	F.06 Climate Change and Energy Efficiency		GRI 305: Emissions 2016
Hazardous waste disposal method (Tonnes*) Non-hazardous waste and disposal method (Tonnes*)	Env. License to Operate (ELtO)	F.07 - Hazardous Materials Management		GRI 306: Effluents and Waste 2016
Environmental: Non-compliance notices (number of*)	Env. License to Operate (ELtO)	F.01 - Environmental Stewardship		GRI 307: Environmental Compliance 2016 EM-MM-140a.2: Number of incidents of non-compliance associated with water quality permits, standards, and regulations

Governance elements associated with the Integrated Report Boundary and Scope

- The Social and Ethics Committee (SEC) is responsible for oversight on materiality reporting on all SBPM material indicators as mentioned in the TOR of the SEC
- The Audit and Risk Committee (ARC) oversees the validation (internal) and external verification of the qualitative and quantitative information within these reports reviewed by the SEC; this report may be subject to internal and external assurance verification processes. After that, the report is validated by the ARC and recommended for approval by the SBPM Board

Integrated approach to material stakeholders' engagement, strategy, risk management and reporting

Tables 4 and 5 link the relationship between these management components and the performance of our control initiatives to reduce business risk and improve resilience. What should be very evident is the complexity of the interrelationships managed by our leadership team. For example, one stakeholder group can be linked to multiple business risks and could also be impacted by other business risks if not mitigated.

These tables depict the relationship between the topics raised with our material stakeholders and the impact these issues, concerns and commitments have on the business strategy. SBPM has dedicated control measures for all risks, but especially for material risks, and has, over the years, implemented initiatives to reduce and mitigate these risks to acceptable levels. Key risks need control effectiveness monitoring indicators to assess real impact.

Figure 8. SBPM's risk management ranking methodology

Consequence Type			1 Insignificant	2 Minor	3 Minor	4 Minor	5 Minor
Likelihood			Risk Rating				
5	Almost Certain Within 1 year	The unwanted event has occurred frequently occurs in order of one or more times per year and is likely to reoccur within 1 year*	11 (Medium)	16 (Significant)	20 (Significant)	23 (High)	25 (High)
4	Likely Within 3 Years	The unwanted event has occurred infrequently; occurs in order of less than once per year & is likely to reoccur within 3 years*	7 (Medium)	12 (Medium)	17 (Significant)	21 (High)	24 (High)
3	Possible Within 5 Years	The unwanted event has happened at some time; or could happen within 5 years*	4 (Low)	8 (Medium)	13 (Significant)	18 (Significant)	22 (High)
2	Unlikely Within 10 Years	The unwanted event has happened at some time; or could happen within 10 years*	2 (Low)	5 (Low)	9 (Medium)	14 (Significant)	19 (Significant)
1	Rare Within 12 Years	The unwanted event has never been known to occur; or it is highly unlikely that it will occur within 12 years*	1 (Low)	3 (Low)	6 (Medium)	10 (Medium)	15 (Significant)

Managing Risk and Impacts within the 2023-2024 Reporting Year

Material Stakeholder Engagement topics and the management of the strategic and operational risks

Our risk management processes, for both controllable and uncontrollable risks, depend on quality stakeholder engagement processes. Risks do not materialise from assumptions. They are communicated or deduced from engagements. These material topics can be classified as risks or opportunities. The impact and severity of each determines the risk ranking. These topics are entered into our risk register and managed through the SBPM risk management processes. To monitor the control intervention, we track the performance of related key risk indicators against targets, objectives or goals. Our leadership team analyses the performance against set thresholds to determine whether the risk is accepted, diminished, mitigated or transferred (risk responses). The SBPM risk register is aligned to the material topics that result from impact-related material stakeholder engagements.

Table 4. SBPM's integrated risk management outcomes for controllable risks within the 2023-2024 FY

Risk #	Material Stakeholder risk origin	Material engagement risk topic	Material Stakeholder impacted	Primary strategic focus area impacted/ affected	Secondary strategic focus area impacted/ affected	At the	Summary of some of the control measures implemented to mitigate the inherent risks to an acceptable level	Stakeholder engagement topic linked to material risk indicators	End of FY Post-control ranking
1	SBPM Engineering	Tailings Storage Facility (TSF) wall damage/ failure	Employees, On-site Contractors, Communities	Safe operating conditions	Achieving operational profitability and liquidity	25. High	Piezometers to measure the phreatic surface. Freeboard poles installed. TSF surveys to assess the freeboard. Curtain drains were installed to keep the phreatic surface low at the Embankment. Slopes are vegetated, and the overall slope angle is 1v:3h. Batter boards are set up to monitor the slope angles. Drain flow is monitored monthly, and drains are jet-rodded annually to remove/prevent blockages. Quality assurance completed on penstock constructions. Penstocks are sleeved at 0.5m elevation gain intervals	Environmental compliance	18. Significant
2	SBPM Operations	Cyber-attack and data breach	Employees	Business continuity	Business continuity	25. High	KnowBe4, a security awareness training and phishing simulation solution has been rolled out. All employees on the AD are expected to take part in the training. A vulnerability assessment and penetration test were conducted in 2022, and an action plan was generated to address weaknesses. Multi-factor authentication has been implemented. All USB ports have been blocked to limit exposure. Individual requests to unblock temporarily are granted by the IT department whenever there is a need to do so.	N/A	18. Significant
3	SBPM Operations	Mining-induced seismic events	Employees, On-site Contractors	Safe Operating Conditions	Achieving operational profitability and liquidity	25. High	Secondary support. Rock watchers - early warning system. Seismic beacons. Design of stopes shortened from +30m to 25	Injury agency (FOG)	18. Significant
4	SBPM Operations	Mine Flooding	Employees, On-site Contractors	Business continuity	Safe Operating Conditions	25. High	It increased specialised labour for pump station maintenance. The maintenance strategy has been revised to reduce the required maintenance time. Resuscitated the Mud Pumping System to pump slurry out of the dam. Settler annex hole and clear water dam refurbishment completed in Order to increase capacity.	Water reuse and recycling	18. Significant
5	External water supply vendor	Water Security	Employees, On-site Contractors	Water Security	Business continuity	25. High	Water usage restrictions are imposed as required. Water tanks are used to obtain water for 4B to the plant. Alternative tailings scavenger boreholes for process water. The use of boreholes for potable water use. 9 Boreholes were Drilled around Ivan Tailings Dam, which supplies about 830 m3 p/day.	Water reuse and recycling	18. Significant
6	SBPM Operations	Environment (Negative impacts on the soil, water, air and the community)	Communities	Environmental mandate to operate	Legal and Social mandate to operate	21. High	Make Provision for Mine Closure Costs. Compliance with the Financial Provisions Regulations. Shortfall Paid on the Trust Fund	Environmental compliance	9. Medium

Risk #	Material Stakeholder risk origin	Material engagement risk topic	Material Stakeholder impacted	Primary strategic focus area impacted/ affected	Secondary strategic focus area impacted/ affected	At the beginning of FY, the Risk rating	Summary of some of the control measures implemented to mitigate the inherent risks to an acceptable level	Stakeholder engagement topic linked to material risk indicators	End of FY Post-control ranking
7	Gov/ Regulatory requirement	Rehabilitation and mine closure	Shareholders, funders, employees and communities	Legal mandate to operate	Social mandate to operate	21. High	Make Provision for Mine Closure Costs. Compliance with the Financial Provisions Regulations. Shortfall Paid on the Trust Fund		3. Low
8	SBPM Operations	Illegal Project Commencement	Shareholders, funders	Legal Project Compliance	Business continuity	25. High	The Environmental Department screens all projects During the Prefeasibility State to determine which Environmental Authorisation are Required.	N/A	18. Significant
9	Criminal syndicates	Poor Security (Loss of production and Damage to essential infrastructure)	Workforce, Contractors	Safe Operating Condition	Achieving operational profitability and liquidity	25. High	Prevent illegal access to the underground by placing security at the portals and mobile patrols around the mine, securing the portals, and closing all the access points. CCTV cameras around the portals and in strategic places. Intelligence gathering. Cable detectors. Alarm system. Monthly meetings with provincial NFMCCC are held, and information is shared. Drone technology has been deployed. Decline 1 portals closed (1 South and 2 South). Actionable Intelligence from internal capacity and third parties	N/A	13. Significant
10	Gov/DMRE	Mine Planning (Mine sustainability)	Shareholders	Mine Planning- Security of Middle Group rights for the future	Achieving operational profitability and liquidity	22. Significant High	Objections lodged against DMRE decisions. Legal advice from Werksman was obtained. Constant engagements with relevant personnel at DMRE	N/A	13. Significant
11	Peer Miners	Infrastructure damage	Employees	Safe Operating Conditions	Business continuity	21. High	Engagements with Acacia mining	Safety Stats	18. Significant
12	Workforce (Employees and	Non-compliance with the Safety Standards resulted in injuries and the closure of the mine for a period	Workforce (Employees and Contractors)	Safe Operating Conditions	Business continuity	23. High	A risk-based safety system is in place that ensures compliance with all legal requirements and results in a governance system that manages, through preventative and recovery, all health and Safety risks. Control measures: 1. SHE Policy 2. Mandatory Codes of Practice 3. Managerial Standards 4. Operational Standards and Procedures 5. Safety strategy to manage continuous.	Safety Stats	18. Significant
13	SBPM- Stakeholder engagement	Poor stakeholder engagement can result in industrial action	SBPM Operations	SBPM workforce relations	Business continuity	22. High	Forums are in place to ensure constant stakeholder engagements. A 2.5-year wage agreement is in place. Signed ESOP which gives a positive employee relations environment	Workforce relations	5.Low

Risk #	Material Stakeholder risk origin	Material engagement risk topic	Material Stakeholder impacted	Primary strategic focus area impacted/ affected	Secondary strategic focus area impacted/ affected	At the beginning of FY, the Risk rating	Summary of some of the control measures implemented to mitigate the inherent risks to an acceptable level	Stakeholder engagement topic linked to material risk indicators	End of FY Post-control ranking
14	Contractors	Appointment of underqualified workforce (employees and contractors) - underperformance	Workforce (Employees and Contractors)	Safe Operating Conditions	Business continuity	21. High	The request for contractors indicates the minimum skills required to fill the skills gap/ vacancies	HRD Training	18. Significant
15	SBPM Operations	Continual increases in production costs reduced the profitability and sustainability of the mine	Shareholders, Workforce, Community	Achieving operational profitability and liquidity	Achievement of mission statement	18. Significant	The BP2024 Budget has been approved and is being implemented. Cost-saving initiatives are being driven hard. Monthly cost meetings implemented. Appropriate cost reduction measures implemented. Continuous cost reduction interventions. Constant review of supplier rates. Specialised shift reviews and approval levels implemented	Economic value distributed - Costs breakdown by percentage	13. Significant
16	SBPM mine planning	Poor Mine planning (Lack of investment in long-term project capital)	Shareholders, Workforce, Community	Mine Planning	Achieving operational profitability and liquidity	22. High	A suite of financial management governance initiatives was implemented for: Budget management Capital expenditure approval, Emergency capital approvals, PR releases for Capital and Opex,	Economic value distributed - Costs breakdown by percentage	5. Low
17	Workforce (Employees and Contractors)	Continual underperformance -not achieving production target	Shareholders, Workforce, Community	Achieving operational profitability and liquidity	Business continuity	21. High	Scrutiny meetings are held. Shift Reviews are held. Monitoring of the approved Business Plan Monthly business reviews are held. Quarterly business performance Reviews are held. Capital KPA included in IPAs. Ensure the Mine is adequately resourced and Capacitated to deliver the required production.	Economic value distributed - Costs breakdown by percentage	13. Significant
18	Gov/DMRE	Non-compliance to mining charter and SLP commitments	Shareholders, Workforce, Community	Social mandate to operate	Business continuity	22. High	EE plans are in place, and the Transformation Department is part of Recruitment. Employment Equity Committee in place. SLP annual reports are submitted annually *Note: We are currently non-compliant due to the postponement of specific SED / SLP Licenses to operate conditions.	SLP and Socio-Economic development	5. Low
19	Communities and local business forums	Protest action and the instability of communities around the mine (Volatile economic environment)	Shareholders, Workforce, Community	Social mandate to operate	Achievement of mission statement	25. High	Quarterly stakeholder meetings were held. Cluster employment for locals. Continuously engage the business forums. Continuously hold municipal forums. Local procurement procedure. Local employment, which includes contractors.	SLP and Socio-Economic development	13. Significant

Table 5. SBPM's integrated risk management outcomes for uncontrollable risks within the 2023-2024 FY

Risk #	Material Stakeholder risk origin	Material engagement risk topic	Material Stakeholder impacted	Primary strategic focus area impacted/ affected	Secondary strategic focus area impacted/ affected	At the beginning of FY, the Risk rating	Summary of some of the control measures implemented to mitigate the inherent risks to an acceptable level	Stakeholder engagement topic linked to material risk indicators	End of FY Post-control ranking
20	Global economy- Various stakeholders	Negative movement in basket PGM price and exchange rate risk or opportunity	Shareholders, Workforce and Community	Achieving operational profitability and liquidity	Business continuity	25. High	Improve production levels and remove all the bottlenecks in the Production Processes. Production profile growth strategy in place. Reduce contractor labour to cut costs	Economic value distributed - Costs breakdown by percentage	17. Significant
21	Gov/ State-owned entity	Uncertainty of constant power Supply by Eskom (Load Shedding)	Shareholders, Workforce and Suppliers	Achieving operational profitability and liquidity	Business continuity	25. High	Stakeholder engagement with ESKOM and Anglo-American Platinum	Energy Use	25. High
22	Vendors/ Suppliers	Strike by key suppliers	Shareholders, Workforce and Suppliers	Continuous operations	Business continuity	25. High	A list of critical suppliers is in place, and alternative suppliers are identified continuously	N/A	17. Significant

The environmental department's risk matrix monitors and manages ecological risks associated with operational activities. For this reporting period, the significant environmental risks were related to water security and the legal obligation to make provisions for mine closure in terms of the financial provision regulations. The Mine Closure Liability Assessment was concluded and submitted to the DMRE. The DFFE department screened all new projects to prevent their commencement without prior authorisation. The environmental department has initiated a monthly Water and Energy Committee (WECO) meeting to keep track of all projects and permit requirements.

Risk and Responsibility Framework

The environmental department's risk matrix monitors and manages ecological risks associated with operational activities. For this reporting period, the significant environmental risks were related to water security and the legal obligation to make provisions for mine closure in terms of the financial provision regulations. The Mine Closure Liability Assessment was concluded and submitted to the DMRE.

The DFFE department screened all new projects to prevent their commencement without prior authorisation. The environmental department has initiated a monthly Water and Energy Committee (WECO) meeting to keep track of all projects and permit requirements.



We have structured our material risk indicators according to the IIRC's 6 Capitals.

We contextualised the IIRC's guidance to fit our SBPM integrated management and reporting processes into tangible and intangible 6 Capitals value components.

We define our tangible value components as:



Financial Capital - The pool of financial resources made available to fuel the various operations and revenue that resulted from our business activities. The Financial Capital inputs and outcomes are traded off within the other capital groups to sustain our business model and create value for our material stakeholders and shareholders.



Manufactured Capital - We define Manufactured Capital from an internal and external perspective. Our internal Manufactured Capital covers the operational and supporting infrastructure, assets and equipment needed to create value. The external Manufactured Capital projects include the infrastructure and equipment that enable our socio-economic development objectives.



Natural Capital - We define Natural Capital as the natural resources used, transformed or impacted by our mining activities. We have undertaken to protect and preserve nature's ecological services for our people and our local communities.

We define SBPM's intangible value components as:



Intellectual Capital - SBPM views Intellectual Capital from two perspectives. The first is our employees' organisational and institutional knowledge, which is enhanced by continual training and education. The second is the performance, innovation, safety, and wellness culture our leadership team is establishing.



Human Capital - The most critical aspect of our business is our people. Our human capital's capabilities and talents are used to convert natural resources into saleable PGM products safely. All our people's safety, health and well-being form the basis of our Human Capital interventions.



Social and Relationship Capital - Social and Relationship Capital value is gained by fostering mutually beneficial relationships. Our mining operations depend on our Human Capital base and the well-being of the community our people support and are supported by. SBPM has a dedicated strategy to employ locally and procure from local businesses. The Covid pandemic has taught us that our workforce and communities must be resilient and that they need to thrive for our business to succeed.

Governance Oversight and control

The SBPM Board

The SBPM Board is accountable for the business strategy, sets the business's risk appetite and is responsible for the business's governance and performance. The Board was involved in the updated business plan process and approved the final version the management team implemented. The Board meeting dates where these decisions and related resolutions were made are listed in Table 6.

The Board is responsible for ensuring that Board, Sub-Committees, Executive and Management decisions and approvals fall within the ethical standards prescribed by the SBPM Ethics Code of Conduct. This code is underpinned by the SBPM's values, which are:



Our CRIS values

Care

Respect

Integrity

Safety, health & environment

Our values represent our commitment to one another, to the business, to the community and environment. They are the guiding principles which inform how we create value and build a thriving culture.



Caring

We look after the interests of our colleagues and handle our resources with the necessary care.



Respect

We recognise that people are different and we allow them space to thrive.



Integrity

We are always honest and hold ourselves to the same moral standards we expect of others.



Safety, Health & Environment

We prioritise the health and safety of everyone and take the necessary effort to protect the environment

Table 6. SBPM Board decisions and related resolutions for 2023-2024 FY

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Workforce	Reducing labour costs	Cost reduction	11	Management recommended a Section 189 process to reduce the workforce by 603 employees	
Community	Community engagement	Community cohesion and development	18	Communication strategy to address concerns of the local community and manage perceptions of opportunities for the locals	
Reduction in overtime	Infrastructure challenges	Achieving operational profitability	14	Problems with the belt system and compressed air supply at Richard Shaft Management team and engineers appointed to address issues Purchase new compressors	
Shareholders Executive Management	Anglo POC agreement	Achieving operational profitability	14	Imraan Osman was tasked with renegotiating the Anglo-POC agreement to include minor metals.	
Executive Management	CEO appointed	Achieving operational profitability	N/A	Dean Pelzer, the new CEO, was introduced and welcomed by the Board	
Executive Management	Copper theft	Achieving operational profitability	8	Increasing incidents of petty copper cable thefts - Deploy more security - Communication with miners to raise awareness and encourage the reporting of suspicious activities	
Workforce	Seismicity	Safe working conditions	2 11	Action plans implemented for seismic activity	
Government (DMRE)	Non-compliance	Good governance	17	Seek a legal opinion in terms of DMRE recommendation on legal appointments	
Shareholders	Capital investment	Growth	N/A	Capital investment to keep Declines operational beyond 2025 and Spud beyond 2026 Engage with Cilia on the 36 South Line Main Reef	
Shareholders	2025 budget	Cost reduction Achieving operational profitability	N/A	2025 budget approved with conditions: Continue cost-saving actions Approval of resolutions to authorise intercompany loans	

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Executive Management	Policy approval	Good governance	N/A	Amended COVID-19 Policy approved by the board	
Shareholders	AFS and dividend proposal	Good governance	18	Communication strategy to address concerns of the local community and manage perceptions of opportunities for the locals	
Community	Informal settlers	Community cohesion and development	18	Discussions are ongoing with community and municipality regarding the relocation of the informal settlement	

Table 7. SBPM Board meeting dates and attendance register

Board Meeting dates	Q1 Review (24th March 2023)	Q2 Review (8th of June 2023)	Q3 Review (25th of Oct. 2023)	Special Board Meeting: (13th of Dec. 2023)	Q4 Review (23rd of Feb 2024)
Directors	K. Pilane C. Sweet L. Mthwa I. Osman M. Makubelo H. Teessen P. du Plessis F. Uys	K. Pilane C. Sweet L. Mthwa I. Osman M. Makubelo H. Teessen F. Uys	K. Pilane C. Sweet L. Mthwa I. Osman M. Makubelo H. Teessen P. du Plessis	K. Pilane C. Sweet L. Mthwa I. Osman M. Makubelo H. Teessen P. du Plessis	K. Pilane C. Sweet L. Mthwa I. Osman M. Makubelo H. Teessen F. Uys
Executives and Invitees	H. Tyira I. Mokhoana R. Thongoana P. November	H. Tyira A. de Lange M. Letebele R. Thongoana P. November	H. Tyira A. de Lange M. Letebele R. Thongoana P. November I. Mokhoana	I. Makhoana R. Thongoana P. November	H. Tyira D. Pelzer A. de Lange M. Letebele R. Thongoana P. November
Other attendees	N. Singata	N. Singata	N. Singata	N. Singata	N. Singata



Our executive leadership team ensures that the board-driven strategic objectives are met within the risk tolerance parameters set by the SBPM Board. In other words, our leaders ensure that growth and the pursuit of profit do not take preference over our social and local economic developmental objectives. All authorisations and decision frameworks are made within the ambit of good governance, as prescribed by the principles of King IV.

These principles and practices are linked to the following good governance desired outcomes:



Ethical culture



Good performance



Effective control



Legitimacy and trust

Lindani Mthwa - Executive Chairman

Experience included but not limited to

- 10 years experience in Anglo Gold. Obtained Sectional Manager level
- 6 years experience at Anglo Platinum. Obtained Production Manager level
- Served on the Minerals and Petroleum Resources Development Act Panel
- Served as a Co-Head of Entrepreneurial Team in the New Mining Fund Board member of South African Chapter of African Renaissance
- Member of SAIMM, AMA, AMMSA

Qualification(s)

- HD Metal Mining - Wits Technikon
- Management Development Programme - Stellenbosch Business School
- Senior Management Program - Henley (UK)
- MBA - Demontfort (UK)



Francois Uys - Outgoing Chief Executive Officer

Experience included but not limited to

- 1988 until 1996 - Free State Gold Fields, Section Manager at Freddie's Gold Mine
- Served as the Section Manager RPM Union Section at Richard Shaft – 1996 to 1997
- 1997 to 2000 – Served as the Business Area Manager, Mining, of RPM Union Section
- Served as the General Manager of Amandabult, until 2005
- Served Head of Safety and Sustainable Development, Anglo Platinum in 2006
- Served as the General Manager to Twickenham Platinum Mine
- Served as the General Manager at Dwarsrivier Chrome Mine and Black Rock Manganese Mine
- Served as Operations Executive, ARM Platinum until 2012
- Served as the Chief Executive, ARM Platinum
- Served as the Chief Executive, ARM Copper and Coal in 2012
- Joined Siyanda Resources in 2018
- Currently serving as the CEO of Siyanda Bakgatla Platinum Mine as well as appointed to the Board of Directors of SBPM

Qualification(s)

- BSc Mining Engineering 1987 - University of Pretoria



Dean Pelsaer - Newly appointed Chief Executive Officer

Experience included but not limited to

- February 2024 to date Chief Executive Officer and a member of Board of Directors | Siyanda Bakgatla Platinum Mine (Pty) Ltd
- November 2020 to 2024 Founded, financed and developed a business into a sustainable output beyond name plate capacity | True Feed (Pty) Ltd.
- 2013 to 2020 Appointed Executive Head: Safety, Health & Environment, and later an Exco and Board Member | Anglo American Platinum Mine
- 2005 to 2012 General Program Manager | Rustenburg Platinum Mines Ltd 2003 to 2005 Divisional Director | Anglo Platinum East Region
- 1999 to 2003 Business Manager, later appointed as Director | Potgietersrust Platinum Mine Ltd
- 1990 to 1999 Production Overseer and Production Manager at various coal mines

Qualification(s)

- University of the Witwatersrand – 1990 Bachelor of Sciences in Engineering: Mining
- Department of Mineral Resources and Energy – 1992 Mine Managers Certificate of Competency (Metalliferous)
- Department of Mineral Resources and Energy – 1994 Mine Managers Certificate of Competency (Fiery)



Imraan Osman - Chief Financial Officer

Experience included but not limited to

- 6 years audit and accounting experience in the public sector
- 13 years' experience in the mining sector with roles in:
 - Financial Services sector,
 - Specialising in Operational Management,
 - Performance Management,
 - Strategy and Strategic Financial Planning.
- Served on numerous Audit committees for Provincial Government
- Served as Vice-Chairman on the Medical Scheme Board
- Joined Siyanda Resources in 2016

Qualification(s)

- Associate General Accountant - SAICA Certified Public Accountant- CPA (SA)
- Masters in business administration – MBA GIBS
- (SA) SAP Certified Consultant - SAP (SA)



Kagiso Pilane - Bakgatla Ba Kgafela Investment Holding

Experience included but not limited to

- Served in various projects as the managers serving the Department of Environmental Affairs
- Served as the Finance Director of a township development company
- Served as the Deputy Chairperson of Bakgatla ba Kgafela Investment Holdings
- Currently leading the Business Desk in the Traditional Council of Bakgatla ba Kgafela

Qualification(s)

- B. Com. Accounting - University of Limpopo



Clem Sweet - Independent Non-Executive Director

Experience included but not limited to

- Significant experience in Project Management, Mechanised Mining, Design and Operation across the Diamond, Gold, Chrome, Base Metals and Platinum mining sectors (terrestrial and at sea) which include various General Manager roles

Other notable roles include:

- Divisional Director at Crocodile River Mine,
- COO of Eland Plats,
- COO of Kameni,
- COO of Tharisa Minerals,
- COO of Salene Mining,
- Technical Director SAMOSA,



Mark Makhubalo - Bakgatla Ba Kgafela Investment Holdings

Experience included but not limited to

- Over 13 years auditing experience
- Director within Financial Services sector
- Currently serves on several boards within the Construction, Mining and Financial Services sectors

Qualification(s)

- B. Acc. Sci. WITS
- CTA UNISAM Com. UP
- MBA UP



Nobusi Sibongile Singata - Company Secretary

Experience included but not limited to

- Over 13 years auditing experience
- Completed articles at BLC Attorneys in 2013
- In the employment of Siyanda Resources since 2013

Qualification(s)

- LLB - Nelson Mandela University



Ethical culture

Ethical governance is the responsibility of the Board, the executive, the management team and the SBPM workforce. With reference to this responsibility, the top leadership team has drafted and disseminated contextual policies and procedures. The Board holds the view that no lapse in ethics is permissible. The sub-committees of the Board are mandated to track adherence and compliance to these policies. The SBPM leadership team takes great effort in ensuring that internal and external stakeholders know that SBPM aspires to be an ethical organisation. Our leaders are determined to embed a strong culture of positivity, honesty and caring at SBPM. Alongside the ethical culture aspirations, the SBPM leadership team is focused on building a culture of innovation and performance. The Chairman's Report and the CEO's report address the efforts made to introduce and improve the culture of the business.

Good performance

For the reporting year, the SBPM Board continued to focus on returning the business to relative normality and approving capital expenditures to recapitalise it. The business strategy is aligned to the shareholders' performance expectations. The expectations going into the year and the resultant outcomes are discussed in the CEO's Report, the CFO's Report and the Financial Capital section of this report. The Board plans to revise the business strategy during the 2024-2025 financial year.

Legitimacy and trust

Building meaningful trusting relationships is the foundation principle of the SBPM Leadership team. Trust and legitimacy are a journey and not a destination. Thus, we endeavour to improve the quality of our relationships with all our stakeholders, not only our material stakeholders. Our actions reflected in Board resolutions and sub-committee recommendations demonstrate the legitimacy and trust we aspire to, recognising that it takes years to build legitimacy and trust and that all that has been gained can be lost instantly. Thus, we are determined to remain vigilant and transparent with our decisions. Our mission is to develop our region, without stakeholder engagement, this would be a hollow commitment. The leadership team endeavours to maintain a trusting working relationship with the people across our diverse stakeholder base. **Legitimacy and trust are difficult to measure, however, we can report that our constant stakeholder engagement resulted in no disruption to business activities due to strike action or community unrest.**

Xolile Mazabane - Executive Chairman

Experience included but not limited to

- Served as a legal advisor at Old Mutual Plc
- Served as a private practicing attorney for 11 years, specialising in corporate and mining law

Qualification(s)

- B Proc, LLB -WITS
- Wright, Rose-Innes Attorneys- Candidate Attorney and attorney
- Affiliation: Associate Member of the Institute of Life and Pensions Association



Hein Teessen - Finance Director and Alternate Director for SBPM Board

Experience included but not limited to

- Served in various Finance and Administration roles for 17 years at Anglo Platinum
- Served as the Financial Manager at BHP Billiton Energy for 1 year before joining Siyanda Resources

Qualification(s)

- B Accounting - University of Potchefstroom
- MBA – UNISA
- Affiliation: SAICA



Piers Du Plessis - Smelters Director and Alternate Director for the SBPM Board

Experience included but not limited to

- 21 years experience, serving in various Operational Management roles at JCI and Anglo Platinum
- 4 years experience in the Projects Process Design at Anglo Platinum

Qualification(s)

- HD Extraction Metallurgy – WITS (Tech)
- Management Development Programme - UNISA Business School
- Affiliation: SAIMM and MMMA



Effective control

Our board believes that effective governance is achieved by the active involvement of our directors in all realms of business decision-making. The SBPM Board exercises effective control through the Board sub-committees according to King IV's Principle 8 -Committees of the Governing Body. This principle states that the governing body should ensure that provision is made for delegation within its structures to promote independent judgement and assist with balancing power and effectively discharging duties. To demonstrate our commitment to sound governance principles, SPBM has functioning and effective Board sub-committees.

These being:

- ARC – Audit and Risk Committee
- SEC – Social and Ethics Committee
- REMCO – Remuneration Committee
- TECHCO – Technical Committee
- SHEQCO - SHEQ Committee

The outcomes and recommendations of the above committees are discussed and analysed at the SBPM Board meetings. For more information, refer to the Board and Board Sub-Committee engagement topics and resolutions. These subcommittees ensure that governance principles permeate the business. Although our Board is in control of the business, our Board recognises that the functions of management are the responsibility of the SBPM Executive directors, executives, mine management and their prescribed officers. **Note: The Intellectual Capital section of the report contains reviews of board policy and procedure reviews and approval performance for the 2023-2024 financial year.**





Social and Ethics Committee (SEC)



The Social and Ethics Committee (SEC) has been appointed by the Siyanda Bakgatla Platinum Mine Limited Board of Directors (the Board) as a committee of the Board to perform the role of the Social and Ethics Committee as contemplated in the Companies Act 71 of 2008 (the Companies Act). The SEC oversees the business's social and ethical aspects to ensure that they are governed in a way that supports establishing an ethical culture. In the past the SEC is also tasked with assessing the effective management of safety, health and environment (SHE), but these responsibilities have now been transferred to the newly established SHEQ Committee. The SEC mandate is set out in the approved SBPM Social and Ethics Committee Terms of Reference document. The SEC is responsible for managing the outcomes of the operational SSDC meetings. The SEC is committed to achieving the SEC Terms of Reference (ToR) mandate. The outcomes from the SEC meetings (Refer to Table 9 for meetings and attendee information) for the reporting year are included, but not limited to, the listed topics and actions found in Table 8.

Table 8. 2023-2024 FY summary of the SEC's Good Governance outcomes

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Shareholders	Enterprise Risk	Safe working conditions	1 8 9	Seismic issue is a concern because it affected large parts of the Declines in the first quarter, where there was a fall of ground	Risk Management Framework
			4	Flooding that took place at Spud Shaft which was critical from the safety perspective Water security – currently low due to action plans working Risk 2 - Cyber Security: this risk was added to the risk register as it was now becoming a big issue in terms of people having the ability to attack the Mine systems Risk 17 - Continuous Underperformance - cost was high at some point, almost R800m a month but has now reduced to around R540m - section 189 process to contain the costs	

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Community	Socio-Economic Development	Sustainable	17 18 21	Interim Committee of the 32 BBKTA villagers who marched to Rosebank to submit a memo. Their issue was that they wanted the recognition of the committee of 17 who have been working as leaders of their business forum Engagement with all parties is in progress with two local business forums Having more than 1 business forum creates challenges. It was decided to continuously engage Mr. Chabeli to ensure that he is providing the necessary support to achieve the goal of having one business forum SLP projects implemented - Education, health and income generation projects in progress Engaging the DMRE to explain that projects are not cancelled but deferred - The DMRE has been engaged in the deferment of SLP3 projects and the Regional Manager was hosted on 3rd November 2023 by the mine where we provided feedback on LED, community engagements, HRD as well as procurement - High number of engagements with SMMEs due to reduction of cost containment	Social and Relationship Capital Local procurement ringfencing (ZAR and number of businesses) * Review of Total Spend (ZAR)* Review of expenditure on black-owned companies by category (ZAR)* Review of expenditure in the SLP LED programme projects (ZAR)*
Workforce Unions	Employee relations, Union representation and wage agreements (collective bargaining)	Positive HR Climate	12 16	Recognition of 5-year Wage agreement signed between SBPM and Unions (AMCU and NUM). The Mine had a stable climate in terms of employee relations during the reporting period. SBPM was able to sign the following agreements: A 5-year Wage Agreement with both AMCU and NUM. A 5-year FULCO Agreement concluded UASA – derecognised Provision for NPAT spending before closing of verification	Human Capital Union Representation (%)

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Workforce	Human Resources – Mining Charter Scorecard	Community cohesion and development	12 16	SBPM performance is good AMCU and NUM declared disputes which were resolved using the assistance of a third-party The Department of Labour did an audit - SBPM is in good standing with the Department of Labour, and the only challenge currently is with the women from C-Band, sitting at 28% instead of 30%, but the team is focusing on it and should be resolved by the end of the year The decision taken in December 2023 regarding the section 189 process, 1,000 employees will be affected. Management is engaging with both unions. CCMA facilitated ongoing meetings. Unions have accepted the rationale for retrenchments Positions affected 704 (539 retrenchments, 165 reskilled) Section 189 action tracker – the process should be completed by April 2024 WIM is an area of underperformance - shafts are ensuring reasonable progress towards the under-representation of females in professional and skilled occupational levels.	Human Capital Employee categorisation by level, race and gender performance (Number of)*
Community Local Business Forums	Preferential Procurement/Local Procurement	Sustainable development Community cohesion and development	12	Targeted 40% Actions are being implemented to improve performance from 24% currently to reach the 40% target SBPM and BBKDW (Collaboration Strategy) presented A meeting was convened between the Siyanda Bakgatla Platinum Mine Supply Chain Manager and the BBKDW Manager to find a collaborative approach to slow rate of enterprise development of the Sesfikile community - The meeting agreed on the establishment of a special task team consisting of SBPM and BBK offices to formulate actions to address challenges raised Key tenets: comparing opportunities, suppliers, HDSA and local presence Local Preferential Procurement be added to the SEC agenda going forward Activities planned to improve performance: - B-BBEE Scorecard Tracker	Social and Relationship Capital-Preferential Procurement Total expenditure (ZAR)* Expenditure on black-owned companies (BOC) by category (ZAR)* Expenditure on local companies (LC)* (ZAR)*

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Workforce	Housing Strategy	Positive HR environment	N/A	60 houses have been refurbished Housing has been able to reduce costs during the last two months by reducing private rentals as well as removing tenants residing at guesthouses	Human Capital Performance data not available
Shareholders Workforce	Security	Cost reduction	8	Copper theft - use of the drones assisted the security team at the mine to trace the people who were stealing the copper cable underground Increase in trespassing with intent to steal Security alerted to be more vigilant The case of four underground criminals was finalised on 28 November 2023 - all accused pleaded guilty and were sentenced to twelve years of direct imprisonment	Manufactured Capital Mine Lifecycle Management Performance data not available
Shareholders Executive Management	Review of Business Risk Register. Include Control effectiveness and ranking	Achieving operational profitability Sustainable development	1 4 8 9	Water Scarcity – Magalies water supply Appointment of the underqualified workforce (employees and contractors) - underperformance - review Continual underperformance / not meeting production target – review Negative movement in basket PGM price and exchange rate risk or opportunity – about community expectations Strike by critical suppliers – mine might experience power curtailment by being removed from Anglo's network	Risk Management Risk Register Natural Capital Water use

Table 9. Summary of SEC meeting dates and attendees

SEC Meeting dates	Q1 Review (8th of June 2023)	Q2 Review (7th of Sept. 2023)	Q3 Review: (23rd of Jan. 2024)	Q4 Review (19th of March 2024)
Directors	K. Pilane C. Sweet T. Njozela F. Uys	C. Sweet K. Pilane T. Njozela F. Uys	C. Sweet K. Pilane T. Njozela F. Uys	K. Pilane C. Sweet T. Njozela D. Pelser
Executives and Invitees	H. Tyira I. Makhoana M. Mtshali J. Makatu K. Kgomo V. Mushiana	H. Tyira J. Makatu M. Makatu K. Kgomo	H. Tyira I. Makhoana V. Mushiana A. Mallick K. Kgomo	H. Tyira I. Makhoana K. Kgomo
Other attendees	N. Matlawe	N. Matlawe	N. Matlawe	N. Matlawe

Audit and Risk Committee (ARC)

The Audit and Risk Committee is committed to achieving all the ARC terms of reference (TOR) mandate. The 2023-2024 FY's activities, decisions, and ARC advice to the SBPM Board were centred around strengthening SBPM's Governance Risk and Compliance (GRC) processes. To ensure these objectives are met, the ARC also focused on tangible and non-tangible initiatives to embed the compliance culture within the business. The outcomes from the ARC meetings (Refer to Table 11) for meetings and attendee information) for the reporting year is included, but not limited to, the listed topics and actions found in Table 10

Table 10. 2023-2024 FY Summary of the SBPM ARC's Good Governance outcomes

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Workforce	Seismic events	Safe working conditions	11 2	Seismic event uptick – Richard Shaft implemented a diagonal line project accessed in 16 and 18 levels	Human Capital Lost time injury frequency rate (LTIFR) calculation Safety lagging indicator performance (Number of)* Injury agency type performance (Number of)*
Shareholders Executive Management	Production and cost management	Achieving operational profitability	14	Low production performance attributed to inefficiencies around the Christmas break Poor belt performance at the Richard Shaft No face length available at Spud Shaft PGM basket price falling Mine is in a net loss position and cash reserves are depleted Relying on Investec working capital facility Focus on cash management Cost reduction initiatives implemented Section 189 implemented	Financial Capital Cost breakdown by category (ZAR 000)* Direct revenue generated performance (ZAR 000)*
Workforce	Payroll review	Achieving operational profitability Positive HR	N/A	Payroll Masterfile – Incomplete/ invalid data: tax numbers, occupation, bank details, employee details, ID numbers and passports. No reconciliation between PAL Pay and PAL People User access – Access to bank accounts not updated – 3 superusers not listed on employees Masterfile Overtime management – 6% instances where 52 hour/month limit exceeded Leave management – excessive negative leave	Human Capital Workforce profile

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Shareholders Workforce Community	Bank and Cash review	Achieving operational profitability and liquidity	14	Control environment – 2 SOPs not approved, No SOPs in place for: bank reconciliations, payments, journals, company credit card management and user access management Payments: process relating to utilisation and monitoring of company credit cards inadequate – no SOP, bank reconciliations and inadequate financial and expenditure supporting documents	Financial Capital Governance documentation
Executive Management	Supply Chain - Procurement and sourcing review	Achieving operational profitability	19 21	Process governance – SOPs not approved, not communicated, lack of training on SOPs, misalignment of SOPs and procedures Non-stock open orders not monitored The tendering and contracting process not effectively implemented	Direct performance indicators Mining and production Profitability Links to other performance indicators Water use Safety Stats/Injury agency Capital projects
Shareholders Executive Management	Water security	Continuous operations Sustainable development	4	No permit is needed to dredge return water dam to increase capacity	Financial Capital Operational Performance
Shareholders -Executive Management	Power shortage and renewable energy supply	Continuous operations Sustainable development	20	Potential to have power curtailment through Anglo's network Solar project put on hold due to macroeconomic environment	Natural Capital Energy use/Energy risk
Workforce Community	Whistle-blower hotline	Good governance	N/A	2 reports of significance, leading to disciplinary hearing and the employee absconding	Intellectual Capital Corruption and fraud
Shareholders Funders	Annual Financial statements review	Financial Compliance	N/A	Finalisations of adjustments to Financial statements. - Revenue drop R1.5b y-on-y. - Profit dropped from R1.9b to R389m. Balance sheet improvements Audit by KPMG in process	Financial Capital Operational Performance
Workforce	Housing review	Positive HR environment	N/A	Control environment – SOPs not updated Housing allocations – documents not adequately assessed leading to employees being allocated housing above pay grade	Manufactured Capital Workforce accommodation
Shareholders Auditors	Internal audit controls	Functional combined assurance Continuous operations	N/A	Safety review Human Capital review Production planning review Production bonuses reviews EBSS, STI and LTI reviews IT – business continuity and disaster recovery reviews Compliance – ESG maturity assessment	Financial Capital Operational performance

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Shareholders Auditors	External audit	Functional combined assurances	N/A	SBPM Audit Plan – PwC engaged; Engagement letters signed Management override of control Fraud in revenue recognition Environmental restoration and decommissioning provisions Deferred consideration Taxation Inventory Summary misstatements	

Table 11. Summary of ARC meeting dates and attendees

ARC Meeting dates	Q1 Review (9th June 2023)	Q2 Review (13th Sept. 2022)	Q3 Review: (23rd of Jan. 2024)	Q4 Review (12th of March 2024)
Directors	M. Makhubalo C. Sweet	M. Makhubalo C. Sweet	M. Makhubalo C. Sweet	M. Makhubalo C. Sweet
Executives and Invitees	I. Osman H. Tyira F. Uys A. Smit A. Hatting S. Masondo H. Sambo L. Msipha	I. Osman H. Tyira F. Uys	F. Uys I. Osman H. Tyira D. Lundie H. Sambo	D. Pelser I. Osman H. Tyira
Other attendees	N. Matlawe	N. Matlawe	N. Matlawe	N. Matlawe

Remuneration Committee (REMCO)

The REMCO governance function ensures that SBPM has the mix of critical skills needed to meet the short-term, medium and long-term “People and Growth” strategic objectives. The REMCO achieves this objective by building Human Capital leadership and management capacity in the business. Succession planning and retention of critical skills is a key component in retaining and developing SBPM Intellectual Capital’s intellectual property. The SBPM Remuneration Committee ensures that remuneration is managed in an ethical and transparent manner. The scope of the audit function is mentioned in Table 12. included the review of the long- and short-term incentives as well as the distribution thereof. This review and approval of incentives and wage increases is the responsibility of the Remuneration committee. Refer to Table 13 for meetings and attendee information.

The REMCO is committed to achieving the REMCO TOR mandate. The outcomes from the REMCO meetings for the reporting year are included, but not limited to, the listed topics and actions found in Table 12. Remuneration Committee (REMCO)

Table 12. 2023-2024 FY Summary of the SBPM REMCO’s Good Governance outcomes

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Executive Management	Executive incentive proposal	People Cost Growth	N/A	The engagement with PwC has not happened yet Discussion required about “Proposed Measures of the Executive Performance Criteria”	Human Capital Performance data not available
Workforce Executive Management	General remuneration and incentive review	Positive HR environment	12 16	SBPM has not achieved satisfactorily STIs and LTIs require revision Key Incentive Drivers – bonus should be linked to performance drivers (LTIFR, Unit Costs, PGMs produced) Remchannel presented as a salary benchmarking tool going forward – allows practitioners to make informed reward and remuneration decisions	Human Capital Performance data not available
Workforce Executive Management	Remuneration Policy	Positive HR environment • Good governance	12 16	Remuneration Policy completed and presented Approved by the board Management annual escalation suspended	Human Capital Performance data not available
Workforce	Human Resource Development (HRD)- Skills Development	Positive HR environment Sustainable Development	13	Review of: Enrolled employees, Contractor volumes Skill Development programs Focus is placed on developing workforce so that external recruitment is not necessary during emergencies and for the purposes of succession planning	Human Capital Human Resource Development HRD Core and External Training Investment in SBPM’s HRD programmes (ZAR)*

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Workforce	Retention strategy	Positive HR environment	13	More work needs to be done before presentation and approval Work concluded but implementation will be delayed to the low commodity price cycle	Human Capital Performance data not available
Executive Management	Committee governance	Good governance Sustainable Development	N/A	TOR need to be looked at	Human Capital Performance data not available
Workforce	Provident Fund	Positive HR environment	12	Work completed and approved	Human Capital Performance data not available
Workforce Communities	Local employment and promotion	Community cohesion and development	18	Work continues to improve communication so that specific details and numbers are given with regard to employment and promotion per village so that communities understand that locals are being employed and promoted	Human Capital Performance data not available
Workforce	Retirement Policy	Positive HR environment	N/A	The Retirement Policy was presented and approved by the board	Human Capital Performance data not available
Workforce	Employee Benefit Share Scheme	Positive HR environment	N/A	Pay dividends and disbursed R 6 million to D1 and below employees	Human Capital Performance data not available
Workforce Government	Temporary Employee – Employer Relief Scheme	Positive HR environment	N/A	SBPM has applied for TERS at CCMA as the company is in distress. The CCMA has requested more information, and finance is arranging to get the information from auditors. If approved the Department of Labour may pay SBPM up to 75% of its payroll costs	Human Capital Performance data not available
Workforce Unions	Section 189	Positive HR environment Community cohesion and development Cost reduction	18	Formal letters were sent out on 13 January 2024 Communication with unions is ongoing	Human Capital Performance data not available
Workforce	Contractor labour forecast	Cost reduction • Positive HR environment	13	The mine is oversubscribed; work continues to align contractors to requirements	Human Capital Performance data not available
Government	Review of Legal and Regulatory Register	Good governance Sustainable development	7	Amendments to the Companies Act and Employment Equity Act will have consequences which will need to be factored into planning	Governance Legal compliance

Table 13. REMCO meeting dates and attendees

REMCO Meeting dates	Q1 review (7th of June 2023)	Q2 Review (12th of Sept 2023)	Q3 Review (16th of Jan 2024)	Q4 Review (8th of March 2022)
Directors	C. Sweet K. Pikane	C. Sweet K. Pikane	C. Sweet K. Pikane	C. Sweet K. Pikane
Executives and Invitees	F. Uys I. Osman H. Tyira L. Mthwa P. November A. Mallick	F. Uys I. Osman H. Tyira L. Mthwa A. Mallick	F. Uys H. Tyira I. Osman A. Mallick	I. Osman H. Tyira D. Pelser
Other attendees	N. Matlawe	N. Matlawe	N. Matlawe	N. Matlawe

Technical Committee (TECHCO)

The Technical Committee (TECHCO) was constituted in terms of Principle 8 of the King IV Report on Corporate Governance for South Africa, 2016, as a committee of the board of directors of the SBPM Board. TechCo is mandated, through the TECHCO Terms of Reference (TOR), with two main functions:

- To provide an independent peer review of the integrity of technical information emanating from the company for release into the public arena
- To provide an independent peer review of the technical content of the business proposals, programmes, research and development of budgets for Board approval

The Technical Committee is committed to achieving the TECHCO Terms of Reference (TOR) mandate. The outcomes from the TechCo meetings for the reporting year include, but are not limited to, the topics and actions listed in Table 14, and meeting dates and attendance information are listed in Table 15.

Table 14. 2023-2024 FY Summary of the SBPM TECHNO's Good Governance Outcomes

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Executive Management Shareholders	TechCo committee requirements	Cost reduction Growth Achieving operational profitability	9 16	Workplan to be finalised Hoisting problems - increase hoisted tonnages.	Financial Capital Operational Performance
Executive Management Shareholders	Rock Engineering	Cost reduction Growth	14 16	Hydropower drilling has been suspended due to cost rationalisation.	Financial Capital Operational Performance

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Executive Management Shareholders	Effective Blasting	Cost reduction • Growth	14 16	Cast Blasting - Sasol scheduled to make presentations. Large rocks were holding the crews up, Root cause was related to ineffective fragmentation during blasting.	Intellectual Capital
Executive Management Shareholders	Fleet Management	Cost reduction	14	4S project stalled – Technical Services Manager to head up Focus on short-term problem areas before experimenting with long-term changes to the mining system A project was implemented to determine the availability of belts and equipment. Reduction in LHD travel distance.	Financial Capital Operational Performance
Workforce Shareholders	Safety Share	Safe working conditions	8	Recommended to check safety measures and compliance, including audits and training to prevent accidents. Winder expert engaged to assist with audit of winding systems Check that cost-cutting initiatives haven't negatively impacted safety. Directive for drivers to not use cell phones while driving. Adopted a zero-based approach to looking at the risk or the risks associated with each one of the installations and worked through those with the teams. Attention to structural integrity management systems. The DMRE would focus on that going forward. SBPM does have a Sims system in place - identifies areas of concern for structural integrity.	Human Capital Safety and Health
Executive Management	Non-profitable sections	Cost reduction • Achieving operational profitability	14	Stoping Crew Performance report presented for Richard and Spud Shafts.	Financial Capital Operational Performance
Executive Management	Hydropower Technology (HPE)	Growth Cost reduction Achieving operational profitability	14 16	Funding to complete the schedule is a challenge. No face length at Spud Shaft Water jet cleaning is deferred to when the drilling machines are operational. Emphasis on putting in place the correct infrastructure to make water jet effective, including an efficient scavenger water system to recover water. Test on one panel to measure effectiveness against non-hydropower panel. Hydropower suspended.	Financial Capital Operational Performance

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Executive Management	Rock Eater Technology	Growth Cost reduction Achieving operational profitability	14	Kook 4 experienced a mud rush which is still in the process of being cleared.	Financial Capital Operational Performance
Executive Management Shareholders Workforce	Seismicity	Cost reduction Safe working conditions	2	Techno and economic evaluations for replacement of 10-line. Concern that there could be a black swan event. Urgency to get into 6 and 7 lines.	Financial Capital Operational Performance
Executive Management	Conveyor belts	Cost reduction Achieving operational profitability	14	Comprehensive plan to work through the belts being developed.	Manufactured Capital Mining, Environmental and Social infrastructure investment (ZAR)*
Executive Management	Integrated Ventilation (Optimised / smooth mining)	Cost reduction Achieving operational profitability Safe working conditions	14	Ventilation planning to address the problem.	Financial Capital Operational Performance
Executive Management	Capital Projects - Extension of Declines	Growth	N/A	Decide on mining method for reef horizons.	Manufactured Capital Mining, Environmental and Social infrastructure investment (ZAR)*
Executive Management	Capital Projects - Mortimer	Growth	N/A	Commissioning begun.	Manufactured Capital Mining, Environmental and Social infrastructure investment (ZAR)*

Table 15. TechCo meeting dates and attendees

RESCO Meeting dates	Q1 review (7th of June 2023)	Q2 Review (12th of Sept 2023)	Q3 Review (16th of Jan 2024)	Q4 Review (8th of March 2022)
Directors	C. Sweet F. Uys L. Mthwa	C. Sweet F. Uys L. Mthwa	C. Sweet F. Uys L. Mthwa	C. Sweet F. Uys L. Mthwa
Executives and Invitees	R Erasmus H Borman J. Mjoli B. Forbes K. Burger	R. Erasmus J. Mjoli B. Forbes K. Burger A. de Lange D. Stanton	J. Mjoli R. Erasmus D. Stanton H. Borman B. Smurf M. Peterson W. Mulder S. Smith	D. Stanton J. Mjoli B. Forbes A. de Lange M. Letebele
Other attendees	N. Matlawe	N. Matlawe	N. Matlawe	N. Matlawe

SHEQ Committee

The SHEQ Committee at Siyanda Bakgatla Platinum Mine (SBPM) was established to create a formal structure that ensures the integration of safety, health, environmental and quality management into all aspects of the mine's operations. The committee was formed to address the growing need for a coordinated approach to compliance, risk management and continuous improvement in these critical areas with particular focus on Safety and Health. The process of developing the committee's Terms of Reference involved extensive consultation with key stakeholders, including management, employees and regulatory experts. This ensured that the committee's roles and responsibilities were clearly defined, aligned with legal and industry standards and tailored to the specific operational needs of the mine. The Terms of Reference provide the framework for the committee's governance, decision-making processes and accountability measures.

SHEQCO's first meeting was held in Q2 on the 21st of September 2023. The outcomes from the first three meetings are summarised in Table 16 and the meeting dates and attendees are listed in Table 17.

Table 16. 2023-2024 FY Summary of the SBPM SheqCo's Good Governance Outcomes

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Executive Management	SHEQ Terms of Reference	Good governance	N/A	The committee shall consist of directors. The Terms of Reference must be aligned to the board's charter. The committee shall hold 4 meetings per annum. The Terms of Reference shall include a section addressing communication that should be sent to the committee members concerning major incidents/ accidents. A. Mallick should be engaged to draft the terms of reference. The meeting agreed that the focus should be on "Safety and Health" matters, as the Social and Ethics committee addresses the environmental issues.	Governance Legal compliance
Workforce Government (DMRE)	Workplace Safety	Safe working conditions	11 16	There has been a 30% improvement in the lost time frequency rate from FY2021 to the end of FY2022. Non-adherence to standards and procedures resulting in repeated injuries. Safety Strategy	Human Capital - Safety CEO's Report DMRE Safety Inspections and Notices UoM i.e. (number of)* Safety lagging indicator performance (number of)* Lost time injury frequency rate (LTIFR) calculation

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Workforce Government (DMRE)			N/A	Focus on other campaigns to manage safety. Drive for compliance with standards and procedures, good housekeeping practices, quality injury investigations and consequence management DMRE findings: Impact of Stoppages: 3 Section 54(1)(c) instruction issued in September, October, and November 2023, two (2) at Richard Shaft and one (1) at Spud Shaft. FY23/24 instructions were reduced mainly due to improved safety records and fewer deviations. Key DMRE Findings: Substandard Support. Substandard Winches. Substandard Ventilation. Poor Control of Explosives: Material car's maintenance. Monitoring systems on conveyor belts.	Injury agency type performance (number of injuries)*
Workforce Community	HIV 95/95/95 Targets	Safe working conditions	11 16	High employee awareness of HIV status and improved tuberculosis control measures Strategies used to reach the 95/95/95 target included: VCT, Wellness campaigns, increasing awareness Increase of VCT Points	Human Capital Health 95-95-95 programme performance (% persons per category)*
Government (DEFF)	Environmental Strategy – Environmental Compliance	Sustainable development	5 7	The Water Use License split application between SBPM and AAP Smelter has been completed and has been submitted to DWS and is in the process of approval. The Water Use Licence for SBPM was approved the month when the Mine had those non-compliances. Climate Change Strategy document to the committee so it could be recommended to the board for approval, particularly in their greenhouse gas emission pathways. SBPM was issued with a DMRE Environmental authorisation. SBPM had to stop treating the hydrocarbons because of the cost. Engage the engineers to ensure the mine is not polluting the soil.	Natural Capital Environmental Compliance Environmental: Non-compliance notices (Number of)*

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Workforce Shareholders	Safety	Cost reduction Achieving operational profitability Safe working conditions	16	Safety Action Plan key focus drivers were: Improving safety performance, Leadership development and culture change, Enforce safety compliance and System implementation Illegal mining activities happening at the corner of Turfbuilt and Hartdoring - need for immediate action and coordination with relevant authorities to address the issue effectively. Workers not using goggles and wearing hard hats and a decline in housekeeping standards – plans to address these issues. The high-potential incident took place last week on the 8th of March 2024 - focus will be on the fundamentals of safety, due to defective and unsafe equipment. Styldrift incident - the stop notes were ignored, and the team continued to blast. Problem was the long anchors were not installed and the team went in and mined that area.	Financial Capital Operational Performance Human Capital Safety and Health
Workforce • Shareholders	Health	Safe working conditions	N/A	3 cases of NIHL certified	Human Capital Safety and Health
Govrenment (DMRE) • Shareholders	Environmental	Sustainable development	N/A	The Mine has had a compliance assessment for the water use license. Compliance was not good at 68%, but non-compliance would not lead to stoppages. Action plans implemented to close out non-compliances. Acacia Resource / RGN-CR (Pty) Ltd appealed against the granting of SBPM Environmental Authorisation, and the matter is with Werksmans Attorneys and is currently at HQ Department of Environmental Forestry and Fisheries for a decision. North-West Provincial Department of Environmental Affairs conducted a Landfill site verification audit in a bid to update their provincial waste management regulations and check our compliance status.	Natural Capital Water Use Non-compliance notices

Stakeholders linked to the topic	Material stakeholder-linked topics raised, managed, and resolved at the Special Board Meeting.	Business strategy focus area impacted	Risk Register #	SBPM Engagement outcomes include but were not limited to:	Cross-referencing to leadership reports, Board sub-committee outcomes, and to control effectiveness-based material indicators
Executive Management Shareholders	Risk Register	Cost reduction Achieving operational profitability	N/A	Water Scarcity – Magalies water supply. Appointment of the underqualified workforce (employees and contractors) - underperformance - review. Continual underperformance / not meeting production target – review. Negative movement in basket PGM price and exchange rate risk or opportunity – in relation to community expectations. Strike by key suppliers – mine might experience power curtailment by being removed from Anglo's network.	Risk Management Risk register topics

Table 17. SheqCo meeting dates and attendees

SHEQ Meeting dates	Q1 Review (8th of June 2023)	Q2 Review (21st of Sept. 2023)	Q3 Review: (17th of Jan. 2024)	Q4 Review (13th of March 2024)
Directors		L. Mthwa K. Pilane	L. Mthwa K. Pilane F. Uys	L. Mthwa K. Pilane D. Pelser
Executives and Invitees		H. Tyira V. Mushiana J. Mjoli J. Makatu	H. Tyira V. Mushiana J. Mjoli J. Makatu A. Mallick	H. Tyira V. Mushiana J. Mjoli
Other attendees		N. Matlawe	N. Matlawe	N. Matlawe

Our 2023 - 2024 Performance



SBPM's strategic focus areas



Safety performance



Leadership
development



Performance
improvement



Culture change

The CEO's Report

Action Plan for the 2024-2025 Fiscal Year

As I begin my role as CEO, I am focused on addressing the significant challenges facing SBPM and positioning our organisation for long-term success. The decline in PGM prices, rising operational costs and the legacy impacts of the COVID-19 period present challenges and opportunities. To navigate these, I will implement a focused action plan to stabilise our operations, rebuild resilience and set a strong foundation for sustainable growth.



Figure 9. PGM market report from January 2020 to May 2024



Figure 3 Platinum, palladium and rhodium prices, January 2020 to March 2024

Source: Johnson Matthey's PGM market research



Immediate Priorities for Stabilisation

My immediate focus will be stabilising our operations through decisive and targeted interventions. A key priority will be optimising our workforce structure. I will work closely with unions and associations to ensure that any changes are handled fairly and without compromising our Care, Respect, Integrity and Safety (CRIS) values. I will strive to minimise disruptions by fostering trust and clear communication while ensuring alignment with our strategic goals.

To address financial pressures, I will prioritise rigorous cost containment. This will include halting all non-essential capital projects and contractor activities and optimising our supply chain to extract maximum value. These measures are expected to significantly reduce our monthly cash burn and provide the liquidity needed to stabilise our operations.

Driving Operational Efficiency

Improving operational efficiency will be a cornerstone of our recovery plan. I aim to achieve a panel-to-crew ratio of 1.5:1 by February 2025 and 2:1 by December 2025. These targets will transform our productivity, enabling a more predictable and sustainable operational framework.

Simultaneously, I will prioritise investment in critical development projects and infrastructure upgrades. Increasing immediate mineable reserves and improving systems such as dewatering and ventilation will ensure operational stability and readiness for future growth.

Strategic and Financial Recalibration

I will lead a comprehensive review and recalibration of our strategic and financial priorities. Historical project plans will be revisited and updated to reflect the realities of our current market conditions. Ensuring these projects are financially viable and aligned with our strategic intent will be critical.

Engaging the board in this process will remain a priority. I will ensure regular communication and collaboration to align on critical decisions and secure their support for the bold steps required to stabilise and strengthen our business.

Sustainability and Community Engagement

A key element of our action plan will be strengthening our commitment to sustainability and community engagement. I will prioritise transparent and frequent communication with employees, communities and other stakeholders to maintain trust and build resilience.

I will also focus on operational resilience through mechanisation and workforce optimisation, ensuring we address inefficiencies while creating a safer and more productive work environment. Additionally, I plan to invest in initiatives to strengthen our relationships with surrounding communities, demonstrating our commitment to shared prosperity and sustainable development.

Vision for the Future

The Deeps Mining Project is a critical component of our long-term strategy. This initiative will increase ore reserves and contribute to sustainable growth, ensuring we can meet future production demands. As we embark on this journey, my vision for SBPM is clear: To streamline this mine operation and ensure that we will be ready when the PGM market adjusts. I will continue to build on the legacy of Francois Uys tenure and in respect of the thousands of miners who developed the Union Mine. SBPM is a resilient, efficient operation. I am confident that implementing this action plan will address our immediate challenges and lay the foundation for long-term success.

SBPM's legacy is one of perseverance and adaptability, and I am committed to honouring that legacy while leading us into a prosperous future. Together, we will transform challenges into opportunities and achieve our ambitious goals for the year ahead.

Risk Topic: 14 - Continual increase in production costs, reduced profitability and sustainability of the mine
 Risk Topic: 11 - Non-compliance to the Safety Standards resulting in injuries and/or closure of the mine for a period

Risk Topic: 16 - Continual underperformance - not achieving production target

Table 18. 2023-2024 FY Material operational indicators performance

Table 18. 2023-2024 FY Material operational indicators performance

Safety	UoM	2020-2021 FY Actual	2021-2022 FY Actual	2022-2023 FY Actual	2023-2024 FY Actual	% Change
LTIFR	Calc.	1.18	1.38	1.05	0.92	-24%

Production	UoM	2020-2021 FY Actual	2021-2022 FY Actual	2022-2023 FY Actual	2023-2024 FY Actual	% Change
Square Metres ('000 m2*)	m2	346	352	366	314	-14%
Primary (reef)	m2	6,573	5,565	6,344	6,026	-5%
Primary (Waste)	m2	3,654	3,891	5,570	5,628	1%
Soc Development	m2	3,500	4,701	4,056	4,266	5%
Haulage Rehab	m2	5,847	6,006	6,033	6,258	4%
Tons Milled	000 tons	2,833	3,060	3,106	2,515	-19%
Tons Hoisted	000 tons	2,725	3,030	3,016	2,353	-22%
Pt Oz	000 oz	161	174	168	166	-1%

Costs	UoM	2020-2021 FY Actual	2021-2022 FY Actual	2022-2023 FY Actual	2023-2024 FY Actual	% Change
Cash Operating Costs	000 ZAR	R4,841,609	R5,719,580	R6,959,494	R6,820,346	2%

Efficiency	UoM	2020-2021 FY Actual	2021-2022 FY Actual	2022-2023 FY Actual	2023-2024 FY Actual	% Change
Cash operating cost / Ton milled	ZAR/ton	R1,709	R1,869	R2,329	R2,712	16%
Cash operating cost / UG tonnes	ZAR/ton	R1,355	R1,557	R1,897	R 1,864	-2%
Cash operating cost OC / Opencast tonnes	ZAR/ton	379	300	249	0	-100%
Cash operating cost / Pt oz	ZAR/Oz	R30,057	R32,940	R41,426	R41,119	-1%
Opex & Capex per 4E	ZAR/Oz	R19,092	R22,712	R25,307	R25,111	-1%

Revenue	UoM	2020-2021 FY Actual	2021-2022 FY Actual	2022-2023 FY Actual	2023-2024 FY Actual	% Change
Revenue	000 ZAR	R10,147,849	R10,218,756	R8,644,641	R4,821,380	-44%
EBITDA	000 ZAR	R5,306,240	R4,499,177	R1,685,146	R-1,998,967	-219%

The Executive Head of Safety and Sustainable Development Report

Hope Tyira

Introduction

Despite a challenging austerity environment, SBPM's 2023-2024 financial year has been marked by our steadfast commitment to safety, health, and environmental stewardship. As the Executive Head of Safety and Sustainable Development—and having served as Acting CEO during a critical transition period—we have balanced cost-cutting with strategic development to maintain our social license to operate.

Operational Resilience and Production

Production Stabilisation:

Our primary focus has been on operational resilience, particularly by addressing bottlenecks at the Mortimer concentrators. Although our production output fell below our initial targets, we have initiated measures to address bottlenecks and inefficiencies.

Cost and Efficiency Measures:

Amid fluctuating PGM prices, power shortages, and resource constraints, we implemented critical cost-saving measures which have positioned us well for future growth.

Our 2023-2024 FY performance

Safety and Environmental Performance

Safety Achievements:

We maintained an exceptional safety record, with a 30% improvement in our Lost Time Injury Frequency Rate (LTIFR).

Risk-based safety systems, along with regular training and awareness campaigns, have reinforced our safety culture.

We remain vigilant in managing risks related to seismic events and potential mine flooding.



Environmental Stewardship:

Our water recycling initiatives and energy efficiency programs have not only contributed to lowering operational costs but also to minimizing our impact on the surrounding ecosystems, demonstrating our strong environmental stewardship.

These initiatives have not only lowered operational costs but have also minimized our environmental footprint.

Key milestones include the approval of our Water Use License and the finalisation of our climate change strategy, which sets clear pathways for reducing greenhouse gas emissions.

Social Impact and Stakeholder Engagement

Community Investment: Our Social and Labour Plan (SLP) projects have bolstered local economies by focusing on education, healthcare, and income generation.

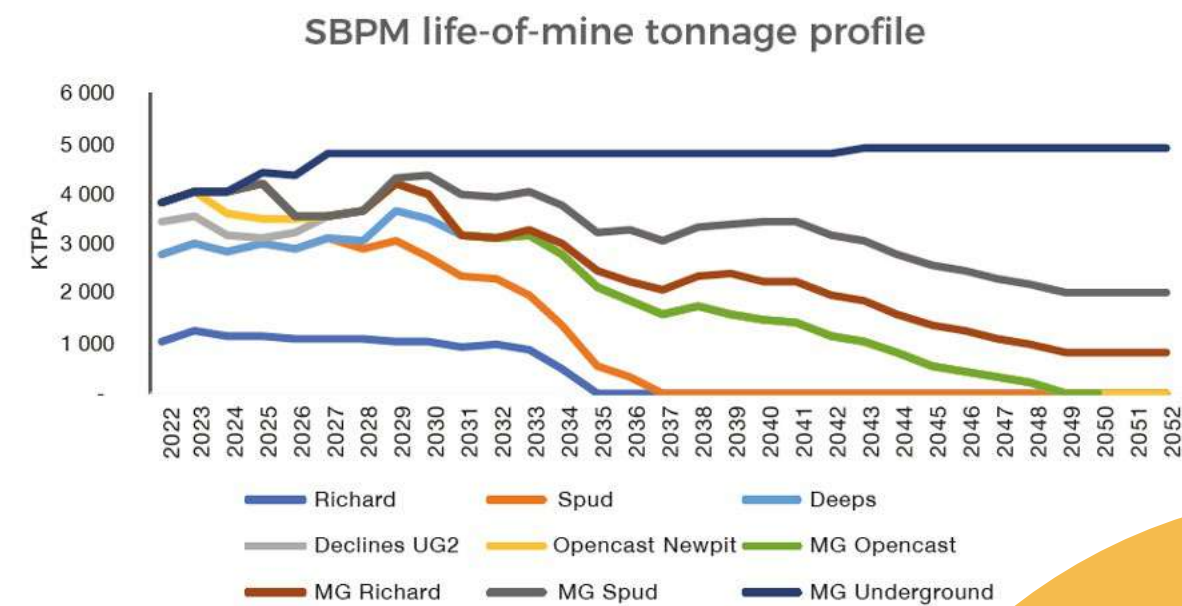
Local Procurement: We have increased our support for local businesses through preferential procurement, moving steadily toward our 40% local procurement target.

Stakeholder Collaboration: Enhanced engagement with local communities and regulatory bodies has strengthened our relationships and solidified our social license to operate.

Conclusion and Future Outlook

Our strategic focus remains on embedding a robust safety culture, enhancing environmental management systems, and maximising our social impact. The progress made this financial year is encouraging, yet we recognise that sustained, long-term success requires continuous improvement and adaptation. As we move forward, our efforts will continue to prioritise sustainable value creation, operational excellence, and community well-being.

Figure 10. Forecasted tonnages over extended life-of-mine



Our Resource and Reserve Base

The mineral resource and ore reserve declaration is supported by separate Competent Persons reports in which the following information is communicated:

- Mineral resource and ore reserve waterfall charts indicating annual movements
- Prill and base-metal grade distribution of the mineral resources is inclusive of ore reserves
- Spatial distribution of the ore reserve and mineral resource classifications
- Statement of mineralisation
- Risk assessments

Risk assessments

The following information regarding the examination of SBPM's mineral resources and reserves is relevant:

- Declarations are grouped as Inclusive Resources, Exclusive Resources and Reserves
- The mineral resources and reserves are declared as of 29 February 2024
- The comparative tabulations to February 2023 are found in Appendix 1
- Mineral resources are quoted after geological losses and reported as Mt (Million tonnes) and Moz (Million ounces)
- Ore reserves and mineral resources are quoted after geological losses and modifying factors and reported as Mt (Million tonnes) and Moz (Million ounces)
- Resources are quoted in situ after Geo-loss
- 4E grade refers to platinum, palladium, rhodium and gold, reported as grams/tons
- Tonnes, ounces and grade are rounded to two decimals

Methodology

The methodology used to determine mineral resources and ore reserves included but was not limited to:

- Formal sign-off of the geological structure and geological discount factors; borehole and sample databases; and the mineral resource classification
- The resource block models that contain the UG2 and Merensky thickness, density and mineral content estimations were last updated in 2017. Updated models were commissioned for the UG2 and Merensky during 2024 and will be used for the BP2026 cycle
- A new estimate was prepared for the Old Ivan Tailings resources based on a volumetric reconciliation
- The data from 60 surface boreholes was used for the Middle Group grade estimation
- A mineral resource classification scorecard for consistent resource classification statements was used, but no changes year on year
- Various single and multiple disciplinary reviews in the framework of the business planning process
- Mine design and scheduling for consistent reserve reporting, which considers the Company's business plan and economic tail management process
- The declared reserve is underpinned by the signed-off business plan that considers the production profile, OpEx and CapEx costing and economic assumptions
- Further refinement of the Basic Resource Equation (BRE). The BRE is an internal reconciliation of mineral resources segregated into various business plans and investment centres
- The annual sign-off of the mineral resources and ore reserves

Internal Controls

SBPM’s well-established processes and protocols have ensured reliable ore reserves and mineral resources reporting. In line with internal review and audit schedules and improvement initiatives, existing processes and reviews encompass:



**Geological
Structure Review**



**Geological
Loss Review**



**Modifying
Factor Review**



**Mine Design
Review**



**Modifying Factor
Application Review**

The above reviews are carried out by the Mine Technical Manager together with the discipline heads. The reserves are underpinned by the business plan. The business plan also is subject to various levels of review before Board approval.

- Benchmarking of extraction rates (on mine)
- Shaft production plan reviews (on mine, General Manager and Senior HOD’s)
- Consolidated mine production reviews (Executive, General Manager, and Senior HOD’s)
- Labour, OPEX Cost and CAPEX reviews (Executive, General Manager, and Senior HOD’s)

In addition, for expansion projects such as the Newpit opencast project and the 4B project separate technical reports are prepared which present techno-economic studies.

Reviews and Competence

The UG2, Merensky and Middle Group mineral resources as at 28 February 2023 were reviewed by an external reviewer (SRK) in mid-2023, and recommendations were taken into account into the preparation of the updated resource statement. The review of the Mineral Resources and Ore Reserves as per 29 February 2024 by the Mineral Resource Manager as the internal competent person (CP) has been completed.

Risk Topic: 15 - Poor Mine planning - Lack of investment in long term project capital

Table 19. SBPM Inclusive and exclusive mineral resources and reserves

Inclusive Mineral Resources as at 29 Feb 2024			
Combined ownership - 100%			
UG2	Mt	4E g/t	4E Moz
Resources (Incl reserves)			
Measured	66.68	5.28	11.31
Indicated	46.48	5.51	8.24
Inferred	34.73	5.61	6.27
Total	147.89	5.43	25.82

Inclusive Mineral Resources as at 28 Feb 2023			
Combined ownership - 100%			
UG2	Mt	4E g/t	4E Moz
Resources (Incl reserves)			
Measured	68.59	5.27	11.61
Indicated	46.67	5.51	8.27
Inferred	34.79	5.61	6.28
Total	150.05	5.42	26.16

Combined ownership - 100%			
Merensky	Mt	4E g/t	4E Moz
Resources (Incl reserves)			
Measured	27.94	6.39	5.67
Indicated	38.67	5.98	7.46
Inferred	13.75	5.67	2.50
Total	80.36	6.07	15.63

Combined ownership - 100%			
Merensky	Mt	4E g/t	4E Moz
Resources (Incl reserves)			
Measured	27.58	6.39	5.66
Indicated	38.78	5.98	7.44
Inferred	13.74	5.66	2.50
Total	80.11	6.07	15.61

Combined ownership - 100%			
Combined UG2 and Merensky	Mt	4E g/t	4E Moz
Resources (Incl reserves)			
Measured	94.62	5.58	16.98
Indicated	85.15	5.73	15.70
Inferred	48.47	5.63	8.77
Total	228.24	5.65	41.45

Combined ownership - 100%			
Combined UG2 and Merensky	Mt	4E g/t	4E Moz
Resources (Incl reserves)			
Measured	96.17	5.59	17.28
Indicated	85.45	5.72	15.71
Inferred	48.53	5.63	8.78
Total	230.16	5.64	41.77

Combined ownership - 100%					
Middle Group	Mt	4E g/t	4E Moz	Chrome %	Chrome Mt
Resources (Incl reserves)					
Measured	22.80	1.64	1.20	27.78%	6.33
Indicated	10.97	1.76	0.62	28.76%	3.16
Inferred	36.45	1.84	2.15	27.72%	10.10
Total	70.22	1.76	3.97	27.90%	19.59

Combined ownership - 100%					
Middle Group	Mt	4E g/t	4E Moz	Chrome %	Chrome Mt
Resources (Incl reserves)					
Measured	22.80	1.64	1.20	27.78%	6.33
Indicated	10.97	1.76	0.62	28.76%	3.16
Inferred	36.45	1.84	2.15	27.72%	10.10
Total	70.22	1.76	3.97	27.90%	19.59

Combined ownership - 100%			
Tarentaal and PS MR	Mt	4E g/t	4E Moz
Resources (Incl reserves)			
Measured	0.00		0.00
Indicated	0.54	1.15	0.02
Inferred	1.32	1.44	0.06
Total	1.86	1.36	0.08

Combined ownership - 100%			
Tarentaal and PS MR	Mt	4E g/t	4E Moz
Resources (Incl reserves)			
Measured	0.00		0.00
Indicated	0.54	1.15	0.02
Inferred	1.32	1.44	0.06
Total	1.86	1.36	0.08

Inclusive Mineral Resources as at 29 Feb 2024			
Combined ownership - 100%			
Combined UG2, Merensky and Middle group	Mt	4E g/t	4E Moz
Resources (Incl reserves)	0.00	0.00	0.00
Measured	117.41	4.82	18.18
Indicated	96.67	5.26	16.34
Inferred	86.24	3.96	10.98
Total	300.32	4.71	45.50

Combined ownership - 100%			
Tailings	Mt	4E g/t	4E Moz
Resources (Incl reserves)	0.00	0.00	0.00
Measured	0.00	0.00	0.00
Indicated	18.90	1.22	0.74
Inferred	0.00	0.00	0.00
Total	18.90	1.22	0.74

Exclusive Mineral Resources as at 29 Feb 2024			
Combined ownership - 100%			
UG2	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	47.40	5.18	7.89
Indicated	44.07	5.52	7.82
Inferred	34.73	5.61	6.27
Total	126.20	5.42	21.98

Combined ownership - 100%			
Merensky	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	26.87	6.40	5.53
Indicated	38.28	5.97	7.35
Inferred	13.75	5.67	2.50
Total	78.89	6.06	15.38

Combined ownership - 100%			
Combined UG2 and Merensky	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	74.27	5.62	13.42
Indicated	82.35	5.73	15.17
Inferred	48.47	5.63	8.77
Total	205.08	5.67	37.36

Combined ownership - 100%					
Middle Group	Mt	4E g/t	4E Moz	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00	0.00	0.00
Measured	22.80	1.64	1.20	27.78%	6.33
Indicated	10.97	1.76	0.62	28.76%	3.16
Inferred	36.45	1.84	2.15	27.72%	10.10
Total	70.22	1.76	3.97	27.90%	19.59

Inclusive Mineral Resources as at 28 Feb 2023			
Combined ownership - 100%			
Combined UG2, Merensky and Middle group	Mt	4E g/t	4E Moz
Resources (Incl reserves)	0.00	0.00	0.00
Measured	118.97	4.83	18.48
Indicated	96.96	5.25	16.35
Inferred	86.30	3.96	10.99
Total	302.23	4.72	45.82

Combined ownership - 100%			
Tailings	Mt	4E g/t	4E Moz
Resources (Incl reserves)	0.00	0.00	0.00
Measured	0.00	0.00	0.00
Indicated	18.90	1.30	0.79
Inferred	0.00	0.00	0.00
Total	18.90	1.30	0.79

Exclusive Mineral Resources as at 28 Feb 2023			
Combined ownership - 100%			
UG2	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	45.81	5.17	7.61
Indicated	43.40	5.52	7.71
Inferred	34.79	5.61	6.28
Total	124.00	5.42	21.60

Combined ownership - 100%			
Merensky	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	26.31	6.40	5.42
Indicated	38.28	5.97	7.35
Inferred	13.74	5.66	2.50
Total	78.33	6.06	15.27

Combined ownership - 100%			
Combined UG2 and Merensky	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	72.12	5.62	13.03
Indicated	81.68	5.73	15.06
Inferred	48.53	5.63	8.78
Total	202.33	5.67	36.86

Combined ownership - 100%					
Middle Group	Mt	4E g/t	4E Moz	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00	0.00	0.00
Measured	22.80	1.64	1.20	27.78%	6.33
Indicated	10.97	1.76	0.62	28.76%	3.16
Inferred	36.45	1.84	2.15	27.72%	10.10
Total	70.22	1.76	3.97	27.90%	19.59

Inclusive Mineral Resources as at 29 Feb 2024

Combined ownership - 100%

Tarentaal and PSMR	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	0.00	0.00	0.00
Indicated	0.54	1.15	0.02
Inferred	1.32	1.44	0.06
Total	1.86	1.36	0.08

Combined ownership - 100%

Combined UG2, Merensky and Middle group	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	97.06	4.68	14.62
Indicated	93.86	5.24	15.81
Inferred	86.24	3.96	10.98
Total	277.16	4.65	41.41

Combined ownership - 100%

Tailings	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	0.00	0.00	0.00
Indicated	18.24	1.22	0.72
Inferred	0.00		0.00
Total	18.24	1.22	0.72

Mineral Reserve as at 29 Feb 2024

Combined ownership - 100%

UG2	Mt	4E g/t	4E Moz
Reserves	0.00	0.00	0.00
Proved	17.84	4.43	2.54
Probable	3.59	3.90	0.45
Total	21.43	4.34	2.99

Combined ownership - 100%

Merensky	Mt	4E g/t	4E Moz
Reserves	0.00	0.00	0.00
Proved	1.00	4.04	0.13
Probable	1.09	5.76	0.20
Total	2.09	4.94	0.33

Combined ownership - 100%

Tarentaal and PSMR	Mt	4E g/t	4E Moz
Reserves	0.00	0.00	0.00
Proved	0.00	0.00	0.00
Probable	0.00	0.00	0.00
Total	0.00	0.00	0.00

Inclusive Mineral Resources as at 28 Feb 2023

Combined ownership - 100%

Tarentaal and PSMR	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	0.00	0.00	0.00
Indicated	0.54	1.32	0.02
Inferred	1.32	1.44	0.06
Total	1.86	1.40	0.08

Combined ownership - 100%

Combined UG2, Merensky and Middle group	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	94.91	4.66	14.23
Indicated	93.20	5.24	15.70
Inferred	86.30	3.96	10.99
Total	274.41	4.64	40.91

Combined ownership - 100%

Tailings	Mt	4E g/t	4E Moz
Resources (Excl reserves)	0.00	0.00	0.00
Measured	0.00	0.00	0.00
Indicated	18.24	1.22	0.72
Inferred	0.00	0.00	0.00
Total	18.24	1.22	0.72

Mineral Reserve as at 28 Feb 2023

Combined ownership - 100%

UG2	Mt	4E g/t	4E Moz
Reserves	0.00	0.00	0.00
Proved	23.30	4.24	3.18
Probable	3.67	3.85	0.45
Total	26.97	4.19	3.63

Combined ownership - 100%

Merensky	Mt	4E g/t	4E Moz
Reserves	0.00	0.00	0.00
Proved	1.14	4.40	0.16
Probable	1.13	5.72	0.21
Total	2.27	5.06	0.37

Combined ownership - 100%

Tarentaal and PSMR	Mt	4E g/t	4E Moz
Reserves	0.00	0.00	0.00
Proved	0.00	0.00	0.00
Probable	0.00	0.00	0.00
Total	0.00	0.00	0.00

Mineral Reserve as at 29 Feb 2024

Combined ownership - 100%

Combined UG2, Merensky and Tarentaal	Mt	4E g/t	4E Moz
Reserves	0.00	0.00	0.00
Proved	18.84	4.41	2.67
Probable	4.68	4.34	0.65
Total	23.52	4.39	3.32

Combined ownership - 100%

Tailings	Mt	4E g/t	4E Moz
Reserves	0.00	0.00	0.00
Proved	0.00	0.00	0.00
Probable	0.66	1.24	0.03
Total	0.66	1.24	0.03

Mineral Reserve as at 28 Feb 2023

Combined ownership - 100%

Combined UG2, Merensky and Tarentaal	Mt	4E g/t	4E Moz
Reserves	0.00	0.00	0.00
Proved	24.44	4.25	3.34
Probable	4.80	4.29	0.66
Total	29.23	4.25	4.00

Combined ownership - 100%

Tailings	Mt	4E g/t	4E Moz
Reserves	0.00	0.00	0.00
Proved	0.00	0.00	0.00
Probable	0.66	1.24	0.03
Total	0.66	1.24	0.03



Inclusive Resources Footnotes

- Decrease of 1.44% from 150.05Mt to 147.89Mt (-2.16Mt) for UG2, due to depletion
- Increase of 0.31% from 80.11Mt to 80.36Mt for Merensky reef due to decrease in geological loss
- Pseudo Merensky / Tarentaal & MG resources stayed the same due to no mining activities
- New UG2 and Merensky resource models (width, density, 4E content) was commissioned during 2024 and will be used for BP2026 reporting
- No changes were made to the geological structure, geological losses and reef thickness, density or mineral content model

Exclusive Resources Footnotes

- Tonnage increased by 1.77 % from 124.00Mt to 126.20Mt (+2.20Mt) for UG2 reef due to less resource converted to Reserves
- Tonnage increased by 0.71% from 78.33Mt to 78.89Mt (+0.56Mt) for Merensky reef due to less resource converted to Reserves

Reserves

- No production of Merensky, Pseudo Merensky or MG's
- 2.33 Mt depleted by production on UG2 reef



The CFO's Report

Imraan Osman

The 2023-2024 financial year presented significant economic challenges for Siyanda Bakgatla Platinum Mine (SBPM) due to the volatile global commodity markets and internal operational shifts. Despite these challenges, we remain focused on maintaining a resilient financial strategy while pursuing long-term growth and sustainability.

The 2023-2024 financial year can be characterised by resetting and repositioning.

Navigating through the storm

For the financial year ended 29 February 2024, SBPM reported revenue of R4.83 billion, a decline from the previous year's R8.64 billion. This reduction was primarily due to the significant decrease in platinum group metal (PGM) prices, which affected our margins and overall profitability. The gross loss for the year stood at R2.59 billion, a stark contrast to the prior year's gross profit of R1.61 billion.

Operating expenses were tightly controlled during the period, and efforts were ongoing to reduce costs across all departments. We managed to decrease costs in nominal terms. We have achieved savings by reviewing contracted services, stores, and inventories. However, the lower revenue combined with the high cost of sales of R7.41 billion led to an operating loss of R805 million. The decline in production and increased input costs necessitate the continued focus on cost-management initiatives to ensure the company's financial stability.





Liquidity

Being a single operating entity has as its main advantage: our shareholders are receptive to response plans and are very decisive. This has enabled the executive team to be agile, allowing us to focus on elements within our control. We directed our energy and attention to aspects of this business that we can influence while accepting and detaching from those we cannot. We implemented initiatives to preserve liquidity quickly, and the outcomes have been significant. We stopped all non-essential capital projects and improved our operating cost structure. These initiatives allowed SBPM to generate sufficient liquidity, although the R1.31 billion decrease in cash and cash equivalents by year-end impacted the overall cash position. The downside of the single entity advantage is that we cannot shut down less efficient business units. We need to generate more value from our existing mineral reserves.

We made significant use of our committed working capital facilities, which supported our operational cash flow. At the close of the financial year, SBPM had a total of R207.95 million in cash and cash equivalents, reflecting a significant reduction from R1.52 billion at the end of the previous year. Despite these reductions, our focus on maintaining operational liquidity ensures that the business remains financially sound as we navigate challenging market conditions.

We needed to reset and reposition ourselves to the new trading environment. We raised R376 million in additional shareholder loans to sustain its liquidity during the year. We secured long-term loans from Masa and SCI, which provided a combined R228.4 million to support our operational requirements further. These loans are expected to enhance our liquidity and assist in meeting our capital obligations in the upcoming fiscal period.

Our net debt position remains manageable, given the timely repayment of borrowings and careful cash flow management throughout the year. Borrowings at the close of the financial year amounted to R66.8 million, a reduction from R109.8 million in the 2022-2023 FY. These steps reflect our ongoing commitment to reducing financial leverage and improving financial resilience.

Shareholder value

In line with our commitment to delivering value to shareholders, SBPM declared and paid a dividend of R80 million during the financial year, following the significant R700 million dividends declared in the previous year. Although lower than in past periods, this dividend underscores our focus on balancing cash preservation with shareholder value creation amidst the challenging financial landscape.



Future focus

We intend to continue observing all aspects of our upstream procurement, operational expenditures, investments, processing, and downstream marketing and beneficiation processes. Our plan is to develop an integrated strategy based on the medium-term PGM price-constrained environment, which will be implemented over the next two financial years.

As we look forward to the 2024-2025 financial year, SBPM will continue improving operational efficiencies, reducing costs, and examining all capital allocations to ensure sustainability. We expect ongoing market volatility but are committed to leveraging our economic strategy to enhance the company's long-term growth potential.

Our strategic priorities for the next fiscal year will include, but not be limited to, improving our production output, managing costs, and enhancing our balance sheet. With our financing arrangements and continued emphasis on operational excellence, we believe that SBPM is positioned to emerge more robust and resilient.

In conclusion, while this past year has tested our financial stability, SBPM has demonstrated resilience in the face of significant challenges. We will continue to navigate the changing landscape, focusing on maintaining financial discipline and creating additional revenue and value streams.





Financial Capital Performance

Generating sustainable financial capital represents a strategic imperative that transcends profit margins and market dynamics. It embodies the commitment to long-term viability, ethical profitability and the seamless integration of economic success with environmental and social responsibility. SBPM recognises that sustainable financial capital is not solely driven by resource extraction but is intricately tied to a comprehensive approach that prioritises safety, environmental stewardship, community engagement and transparent governance. By fostering a balanced constructive collaboration between economic growth and ethical practices, we strive to ensure financial resilience and sustained benefits to our stakeholders.

As we entered the 2023-2024 financial year, we were fully aware that the downturn in commodity prices would impact our 2024 business plan. However, our objective remained to achieve the targets set out in the plan while also identifying opportunities for further savings in the procurement of services to alleviate financial pressure. By June 2023, the basket price for PGMs had declined to a level that required the implementation of a turnaround strategy to safeguard the operation. In response, we shifted our focus towards aggressive cost-cutting measures and deferring non-essential capital projects to stabilise the business and ensure operational sustainability.

Risk topic: 16 - Continual underperformance - not achieving production target

Table 20. Integrated Financial Capital indicator performance for the 2023-2024 FY incl. projected targets

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Operational Performance	Square metres ('000 m)		-	-		366	314	-14%
	Tonnes ('000 t)	Tonnes Milled/ Processed	3,061	2,833	3,060	3,106	2,515	-19%
	Pt. Oz's ('000 oz)	Total Platinum concentrate produced	188	160	174	168	166	-1%
	4E * Oz's ('000 oz)	Total 4E PGM concentrate produced	309	264	282	275	272	-1%
Direct economic value generated and distributed	'000 ZAR	Direct Revenue	R7,233,085	R10,147,849	R10,218,756	R8,644,641	R4,821,380	-44%
		Cash Operating Costs	R3,978,986	R4,841,609	R5,719,579	R6,959,494	R6,820,346	-2%
		EBITDA	R3,254,099	R5,306,241	R4,499,177	R1,685,146	-R1,998,967	-219%
Economic value distributed- Costs breakdown by percentage	%	Total Labour	50%	48%	42%	42%	44%	5%
		Stores	20%	20%	21%	20%	19%	-8%
		Utilities	11%	11%	11%	17%	15%	-12%
		Contractors	5%	7%	11%	11%	10%	-10%
		Sundries	14%	14%	15%	10%	13%	21%

Efficiencies

From an operational efficiency perspective, we performed worse than anticipated. A summary of these is found in Table 21. the reasons, therefore, are contained in the CEO's and CFO's reports production efficiency indicators.

Risk topic: 16 - Continual underperformance - not achieving production target

Table 21. 2023-2024 FY Year-on-year cost efficiency comparison

Efficiency Indicator	2020-2021 FY	2021-2022 FY	2022-2023 FY	2023-2024 FY	% Change
Operating Costs per Ton Hoisted (t)	R1,355	R1,557	R2,308	R2,767	20%
Operating Costs per Ton Milled (t)	R1,708	R1,869	R2,241	R2, 712	27%
Operating Costs per 4E oz (oz.)	R18,338	R22,712	R25,323	R25,111	-1%



Expanding Our Manufactured Capital Base

Our Operational Context

Expanding our manufactured capital base takes on a multifaceted approach, encompassing critical areas such as mining, community and environmental infrastructure. SBPM leadership recognises that the growth and sustainability of the company are intertwined with the development of the mine and the development of the community. These essential capital injections are an indication of responsible investment and management.

Our net debt position remains manageable, given the timely repayment of borrowings and careful cash flow management throughout the year. Borrowings at the close of the financial year amounted to R66.8 million, a reduction from R109.8 million in the 2022-2023 FY. These steps reflect our ongoing commitment to reducing financial leverage and improving financial resilience.

Mining Infrastructure and Capital Projects

Prioritising developing and maintaining safe, efficient and environmentally sound mining infrastructure includes responsible extraction practices, optimised processing facilities and effective transportation networks that minimise environmental impact. Investments in state-of-the-art equipment and technologies are made with sustainability in mind, ensuring that resource extraction aligns with stringent environmental and safety standards. Updated and well-capitalised infrastructure addresses many of the risks associated with mining and can provide a springboard for future growth and investment.

Stay in Business (S-I-B) Capital projects implemented in the 2023-2024 FY

Major projects in the 2023-2024 financial year included:

- 4B Declines
- Fine Grind Improvement Projects
- Secondary Support at Richard
- RBE for Spud and Richard Shafts

Stay in Business (S-I-B) Capital projects implemented in the 2023-2024 FY

Due to the turnaround strategy that is in place at the mine all expansion capital projects remain unfunded. Once profitability recovers the focus will be shifted to re-invest in lower-level refurbishment and new projects.



Risk Topic: 15 - Poor Mine planning - Lack of investment in long-term project capital

Table 22. Integrated Manufactured Capital- Capital projects outputs for the 2023-2024 FY incl. projected

Capital Projects by Category	Business Plan	Actuals	Business Plan	Actuals	Business Plan	Actuals	Actual deviation from budgeted expenditure
Staying-in-Business capital (S-I-B) projects investment by Business Unit	2021-2022		2022-2023		2023-2024		
Central Services	R163,021,162	R77,524,139	R394,637,369	R143,980,265	R110,191,485	R87,159,937	R23,031,548
Richard Shaft	R85,853,410	R70,370,843	R177,748,611	R98,466,618	R113,300,564	R115,151,391	R-1,850,827
Spud Shaft	R138,658,445	R60,796,587	R387,800,923	R200,438,854	R119,925,501	R85,121,723	R34,803,778
Declines	R28,790,380	R9,031,736	R41,288,246	R34,492,123	R16,166,093	R17,803,209	R-1,637,117
Concentrator	R123,197,559	R148,145,983	R100,500,000	R148,531,142	R148,250,000	R92,602,909	R55,647,091
Total Mine SIB Expenditure	R539,520,957	R365,869,288	R1,101,975,148	R625,909,001	R507,833,643	R397,839,170	R109,994,473
Expansion capital project investment							
Total Union Mine Expansion Expenditure	R201,853,124	R113,177,522	R247,840,813	R86,825,715	R442,618,393	R117,897,592	R324,720,801
Special Project	R0	R139,424,655	R93,224,383	R181,143	R9,000,000	R7,442,655	R1,557,345
Total Expansion expenditure	R201,853,124	R252,602,176	R341,065,196	R87,006,858	R451,618,393	R125,340,247	R326,278,146
Total S-I-B and Expansive Expenditure	R741,374,081	R618,471,464	R1,443,040,344	R712,915,859	R959,452,036	R523,179,417	R436,272,619

Risk Topic: 15 - Poor Mine planning - Lack of investment in long-term project capital

Table 23. 2023-2024 FY Year-on-year combined S-I-B and expansive capital project budget (ZAR)

Combined S-I-B and expansive capital project budget	BP 2023- 2024	BP2025
Investment (R'000)		
SIB	516, 834	333, 060
Spud	119, 925	134, 444
Richard	113, 300	75, 310
Declines	16, 166	28, 125
Opencast	9, 000	-
Concentrators	148, 250	43, 042
Central Services	110, 191	52, 140
EXPANSION	441, 493	33, 823
TOTAL	958, 327	366, 883

Community infrastructure

Our commitment extends to investments in community infrastructure, such as schools, healthcare facilities and transportation networks. These initiatives improve the well-being of community members and contribute to social cohesion and economic development, creating a positive legacy that extends beyond the life of the mine.

Note: The LED projects listed in Table 24 represent the four LED SLP focus areas. For further details on SBPM Local Economic Development (LED) performance, refer to this report's Social and Relationship section.

Risk Topic: 17 - Non-compliance to mining charter and SLP commitments

Table 24. LED projects completion status as of the end of the 2023-2024 FY

LED project category (i.e. Infrastructure, Education and Skills Development, Income generation and Health and Social Welfare)	SLP Period (i.e. SLP2 or SLP3)	Project name	Progress summary
Infrastructure	SLP2	Construction of a new administration block and new kitchen at Tlhaalapitse Primary School in Mokgalwaneng	Handed over to beneficiaries on 18/10/2023
Infrastructure	SLP2	Upgrade of Library and Lapa at Northam	Handed over to beneficiaries on 12/12/2023
Infrastructure	SLP2	Construction of new ablution facilities and kitchen at Mochudi Secondary School at Mokgalwaneng	Handed over to beneficiaries on 09/11/2022
Infrastructure	SLP2	Construction of new ablution facilities and upgrade of classroom blocks at Tshomankana Secondary School	Handed over to beneficiaries on 08/12/2023
Infrastructure	SLP3	Upgrade of Neo Clinic at Disake	Procurement of service provider stage
Infrastructure	SLP3	Upgrade of Mononono Clinic at Mononono	Procurement of service provider stage
Infrastructure	SLP3	Electricity Infrastructure Upgrades	Procurement of service provider stage
Education and Skills development	SLP3	Winter School for 220 Matriculants from Thabazimbi and Moses Kotane Local Municipalities.	Significant improvement in matric results for the academic year 2023.
Education and Skills development	SLP3	Provision of ICT equipment, internet connectivity and mobile classrooms to Platinum and Modimong Primary Schools	Access to quality learning and teaching.
Education and Skills development	SLP3	Supported grade 11 career awareness campaign held at Sun City for more than 4000 learners from Moses Kotane Local Municipality	Access to quality learning and teaching.
Infrastructure	SLP3	Bridge Construction at Dikweipi village	Scope of work complete
Infrastructure	SLP3	Upgrade of Magong Primary School	Scope of work complete
Infrastructure	SLP3	Upgrade of Manamakgotha Secondary School	Scope of work complete
Infrastructure	SLP3	Upgrade of Ofentse Primary School	Scope of work complete
Infrastructure	SLP3	Upgrade of Melotong Primary School	Scope of work complete

Environmental Infrastructure

Recognising the need to safeguard natural capital, SBPM includes investments in environmental infrastructure. This encompasses developing comprehensive environmental management systems, land reclamation projects and initiatives to mitigate and adapt to climate change. Due to cash constraints no new environmental infrastructure projects were initiated and we focussed our efforts on completing the drilling and equipping of scavenger boreholes that were started last year. Strengthening our Intellectual Capital base



Recognising that the sustainable growth and innovation of the mining industry demand a foundation built on knowledge, good governance and ethical conduct, we prioritise developing and retaining our intellectual assets. By fostering a corporate culture with a zero-tolerance approach to corruption, embracing transparency and adhering to stringent anti-bribery and corruption standards, SBPM must demonstrate that they safeguard their intellectual wealth and strengthen our Social Mandate to Operate.

Our commitment to ethical practices and good governance extends to every facet of our operations. Our corporate culture fosters accountability and ethical decision-making at all levels. We invest in education and training to empower our workforce with the knowledge and skills to identify and combat corruption. This dedication ensures that our intellectual capital thrives, ultimately driving progress, innovation, and ethical excellence in the mining sector and beyond.

Corruption



Integrity

Whistle Blower Mechanism

By providing a channel for individuals to voice their concerns, SBPM aims to address and rectify issues proactively, ultimately fostering an environment of trust and integrity. In this way, a whistle-blower mechanism plays a vital role in preserving the organisation's reputation, ensuring legal compliance and promoting a culture of ethical conduct, which is essential for long-term success and sustainability. Table 25 summarises the alleged incidents received and the resultant outcomes.

Material KPI	Category	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Corruption cases investigated	Corruption Cases (number of*)	0	12	28	29	19	-34%
Cases investigated and unfounded.		0	6	20	12	0	-100%
Cases pending		0	0	0	4	3	-25%
Employee found guilty and dismissed	Corruption Investigation Outcomes (number of*)	2	1	5	4	2	-50%
Employees found not guilty		0	0	0	1	0	-100%
Employees/s given a written warning		0	0	0	1	0	-100%
Resignation (Employees)		0	0	1	1	3	300%
Vendor / Supplier removed		0	2	2	0	0	n/a
Vendor / Suppliers found not guilty		0	0	0	0	0	n/a
Vendors / Suppliers are given a written warning		0	0	0	0	0	n/a
No Action was taken in the reporting year		0	1	1	20	11	n/a

Table 25 shows the outcomes for the 2023-2024 reporting year. Most notable were the 19 cases ed, which is a considerable drop from the previous reporting period. One employee was found guilty of corrupt activities and dismissed. No vendors were investigated or removed from the vendor's list for corrupt activities. SBPM has undertaken a campaign to communicate the reporting process on the anonymous Hotline, and the CEO has occasionally addressed the officials on the effects of corruption and dishonest practices.

Going into the 2024-2025 reporting year, our goal is to refresh employees' knowledge of the Code of Conduct. All employees will be encouraged to sign an undertaking to report any wrongdoing and be made aware of the consequences of not reporting corrupt activities to the company.

To improve reporting and investigation processes and outcomes, we have found that investigators should be granted access to interrogate the company systems to detect occupational fraud. Current practice is that they do not have access to the systems where incidents of occupational fraud may be perpetrated. To improve our performance in detecting corrupt activities, we need to understand everything we can about occupational fraud: how much it costs, how it is committed, who commits it and how it can be detected. Systems put in place to curtail it.

Information Technology (IT) Governance



Intellectual Property & Information Security

SBPM, as a responsible mining company, approaches information security with the same level of diligence and commitment as it does safety, environmental protection and stakeholder engagement. Information security is crucial in protecting sensitive data, ensuring operational continuity and upholding trust and accountability within the industry. This includes having a clear security policy that covers the use and protection of assets, intellectual property items, and information systems as specified in the business resources section of the SBMP Ethics Code of Conduct. SBPM Intellectual Property assets are valuable assets which must be protected with the same vigour as our physical assets. Intellectual Property (IP) includes patent rights, trademarks, copyrights, design rights, data extraction rights, rights in knowledge or other confidential information and rights under IP-related agreements.

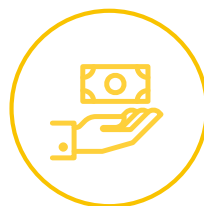
The objective of the SBPM ITC security governance process is two-fold. Firstly, to protect the confidentiality, integrity and availability of information. Secondly, to ensure efficient policy implementation. SBPM's Information Technology (IT) governance includes procedures for protecting business information, preventing access by unauthorised parties, managing firewalls to halt users from intentionally or unintentionally importing viruses or downloading non-IM-specified software, and ensuring efficient policy implementation. This is achieved by doing regular risk assessments to discover threats and vulnerabilities and implementing risk mitigation strategies and training. An incident response plan is also in place to address security breaches and data leaks and promptly restore systems to functionality in cases where these incidents occur. The goal is for the information system to be accessible and available as necessary.



Locking USB ports



Enforcing MFA



Enforcing a firm password policy



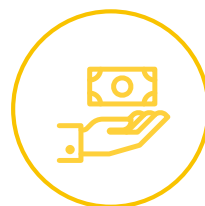
GPO updates



OS patching



Edge device patching



Renewed focus on host version status

IT Protection Performance

From an endpoint security perspective, SBPM had no known data breaches or malware threats during the 2023-2024 reporting period. However, we did experience many spam emails because users fell prey to phishing attacks. Employees received Cyber Security Awareness training and participated in various awareness campaigns to improve their awareness of cyber threats.

Risk Topic: 2 – Cyber-attack and data breach

Table 26. 2023-2024 FY Information Security and management performance (number of)*

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY	% Change from the previous FY
Information Security	number of*	Security breach incidents (Malware attack or theft of information)	0	-		0	0	n/a
		System unavailability incidents (led to recovery business continuity process)	0	-	0	0	0	n/a

Modernisation

As part of the modernisation drive, the following initiatives were implemented:

- LAN Refresh
- Fibre Refresh
- Firewall replacement

Future Outlook

IT management has several initiatives planned for the 2023-2024 FY. These being:

- Complete refresh of both data centres
- Storage refresh of both dataa centres

Policy and procedure Management

No procedures or policies were reviewed, recommended or approved by the Board or Board subcommittees during the 2023-2024 FY.

Human Capital Performance



Transformation, Development and Safeguarding Lives

Human capital is a crucial cornerstone of SBPM's sustainable and ethical practices. This approach values every worker's welfare, safety and professional growth, recognising that a skilled and motivated workforce is fundamental to operational success. By fostering a culture of respect, diversity and inclusion, SBPM seeks to empower employees, cultivate leadership and ensure their well-being on and off the job. Through fair wages and opportunities for advancement, our approach attracts top talent and nurtures a committed workforce essential for our business's longevity. Gender-sensitive policies and support networks underpin our strategy, which aims to attract and retain female talent and create a more equitable and thriving workforce that will contribute to the industry's sustainability and positive impact on communities and society.

Employee Relations Climate and Forums

Human capital is a crucial cornerstone of SBPM's sustainable and ethical practice. This approach values welfare, safety and professionalism. The ER Climate in the 2023-2024 financial year was generally good, however it deteriorated towards the end of the reporting period, due in part to the disciplinary sanction imposed on the mine overseer for fighting and, or assault, however tensions have subsided as a result of effective communication between the ER department and organised labour in terms of explaining the fact that cases are decided on merit.

Another factor that impacted on the ER Climate was the inevitable impact of the company embarking on a retrenchment process in terms of Section 189A of the Labour Relations Act, 66 of 1995 ("LRA"), brought about by a significant drop in PGM basket price. The resultant cost-cutting measures have had knock on effects on the ER climate and employment at the mine. Our department took the approach of actively managing this situation through rigorous communication and engagement with our people and organised labour to ensure that all stakeholders understood the causes and necessity of the process. The various forums meetings (i.e OAPF, OUPF) took place as mandated in the Siyanda Employee Recognition Agreement (SERRA). Future Forum Meetings have been held and Task Teams have been established to promote and implement the resolutions spearheaded by Head Office for improvement in our operation's performance in ore production.

The HR Policies were reviewed in line with the consistent developments in Labour Legislations. Disputes at the CCMA were handled effectively and successfully by ER. Substance abuse cases are an ongoing concern, however various interventions (i.e awareness campaigns) have been put in place by the HR department using the ER and communication department to address employees at all working areas on the risks of substance abuse, as well as from the side of organised labour addressing their members in mass meetings.

Defined benefit plan obligations and other retirement plans

SBPM employees belong to a defined contribution provident fund. The plan's liabilities are not met by SBPMs general resources. The employee funds the defined contribution plans, and the employer's contributions are based on a percentage of the employee's retirement funding salary. The contributions are deducted from the employees' overall 'cost to the company's remuneration package and paid to the retirement fund.

In the SBPM context, retirement funds are defined as contribution funds. Fund member/employee and employer contributions are based on a percentage of the member's remuneration package, so the employee carries all the investment risk. The employer participates in the Old Mutual Superfund Pension Fund and the Old Mutual Superfund Provident Fund.

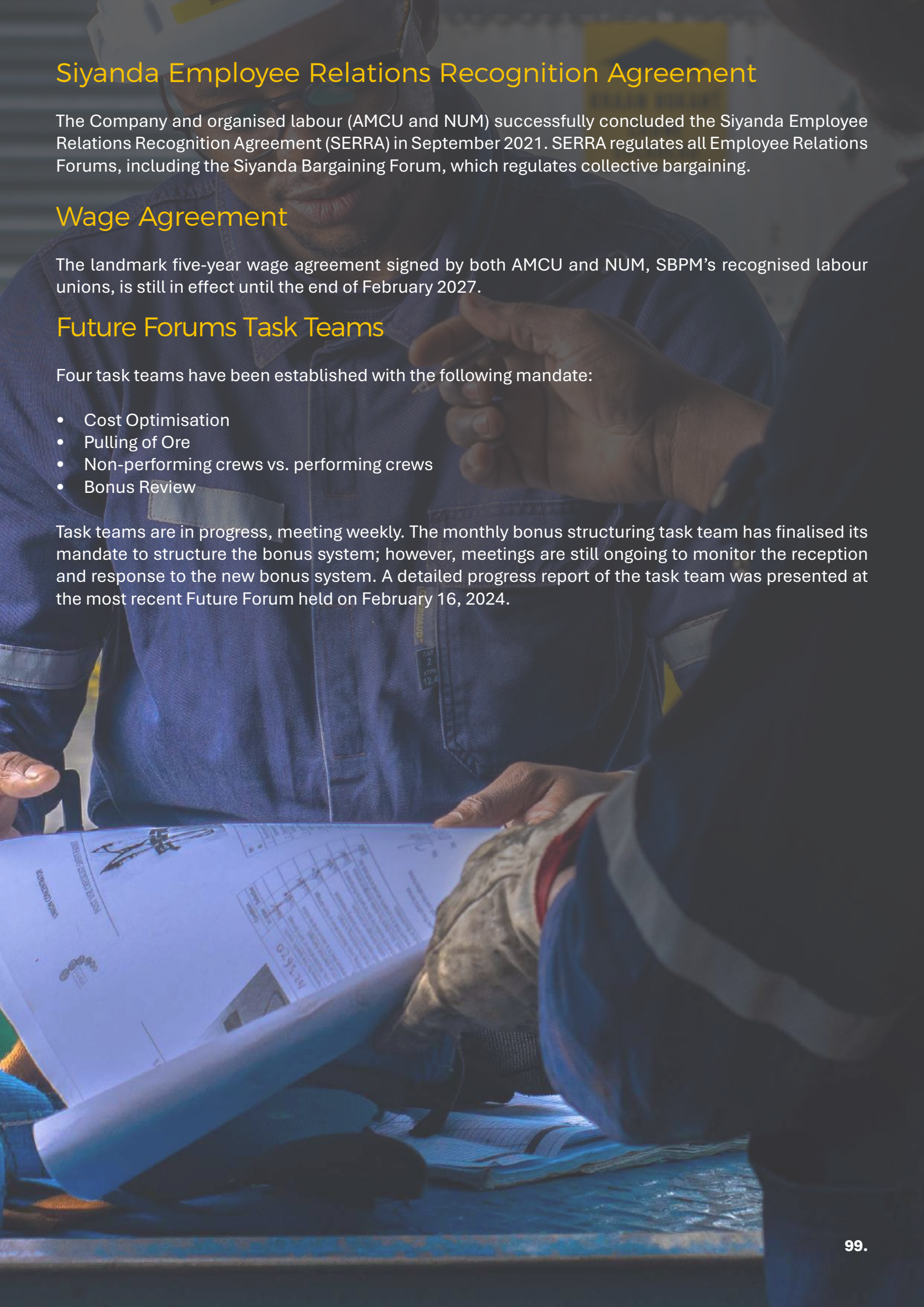
Table 27. Defined benefit plan obligations and other retirement plans for the 2023-2024 FY

SBPM Provident and Pension Scheme Categories		
Defined Contribution Code: R007996D	Defined Contribution	Defined Contribution
	Code: R008081D	Code: R008095D
(Provident)	(Pension)	(Provident)
Operations	Officials	
All Members	A1 Ex-AMRF members who joined after 1/7/2012 & all new members	
	A2 Ex-AMRF members who joined before 1/7/2012	
	A3 Ex-AMRF officials	
	A4 Ex-ARF members	
	A5 Ex ARF Officials	

Contributions per Category (% of Salary)							
Defined Contribution Code: R007996D		Defined Contribution			Defined Contribution		
Member	Employer	Code: R008081D			Code: R008095D		
7.50%	15.00%	Category	Member	Employer	Category	Member	Employer
		A1	7.50%		A1		15.00%
		A2	9%		A2	2.20%	15.00%
		A3	7.50%	4%	A3	2.40%	14.12%
		A4	7.50%		A4		15.00%
		A5	7.50%		A5		20.52%

Combined		Budgeted expenditure 2023-2024	Budgeted expenditure 2024-2025
Defined Contribution Code: R007996D		Defined Contribution	Defined Contribution
		Code: R008081D	Code: R008095D
All Members		A1 Ex-AMRF members who joined after 1/7/2012 & all new members	429
		R230,767,262	R28,124,705
		R148,250,000	R43,041,921
		R958,327,037	R33,822,960
Total	4 232	Total	916

The above funds are South African umbrella retirement funds. As all costs are contribution-derived, the employer is not further liable.



Siyanda Employee Relations Recognition Agreement

The Company and organised labour (AMCU and NUM) successfully concluded the Siyanda Employee Relations Recognition Agreement (SERRA) in September 2021. SERRA regulates all Employee Relations Forums, including the Siyanda Bargaining Forum, which regulates collective bargaining.

Wage Agreement

The landmark five-year wage agreement signed by both AMCU and NUM, SBPM's recognised labour unions, is still in effect until the end of February 2027.

Future Forums Task Teams

Four task teams have been established with the following mandate:

- Cost Optimisation
- Pulling of Ore
- Non-performing crews vs. performing crews
- Bonus Review

Task teams are in progress, meeting weekly. The monthly bonus structuring task team has finalised its mandate to structure the bonus system; however, meetings are still ongoing to monitor the reception and response to the new bonus system. A detailed progress report of the task team was presented at the most recent Future Forum held on February 16, 2024.

Housing

The Housing Department set itself the task of refurbishing 55 houses and has been able to hand over, on average, 20 houses per month. By using local emerging contractors, a lot of effort is needed to monitor the quality of the renovations, thereby contributing to skills transfer and growing the local economy. Housing is currently involved in the following activities:

- Maintenance of occupied 808 houses, offices and hospital
- Refurbishment of and allocation of 55 unoccupied houses
- Repurposing of 5 identified large houses – to provide more stock
- Conversion of B-SAV into Family Units
- Provision of Visiting Quarters at C-SAV
- Upgrade of Single Quarters with security, paving, painting, kitchen and dining areas

Social Amenities

In partnership with the Recreation Club, Housing is maintaining and improving the existing social amenities, which include pools, bars, clinics, shops, sports fields, and recreation fields. These facilities are essential for attracting and retaining quality employees, and their use improves their quality of life.

Our Employment Demographics

Note: Table 28. Employee quantum only takes paid employees into account. The Board and Top Management level representation reflects SBPM's full-time employment status and not actual representation in numbers.

Risk Topic: 13 - Appointment of underqualified workforce (employees and contractors) - under performance
Table 28. 2023-2024 FY Employee categorisation by level, race and gender performance (number of)*

Level	SA Race & Gender								SA		Foreigners		Total		HDSA	Non HSDA	PWD	Grand total
	African		Coloured		Indian		White											
	M	F	M	F	M	F	M	F	M	F	M	F						
Board	1								1				1		1			1
Top Management	1				1		1		3				3		2	1		3
Senior Management (E1 and Above)	14	2					7		21	2			21	2	16	7		23
Middle Management (D1 - D4)	99	46	1		1		38	12	139	58	7		146	58	159	45		204
Skilled Employees (C1 - C5)	500	183	5	2			83	22	588	207	24	1	612	208	712	108	5	820
Semi-skilled Employees (B Level)	3,194	682	1	2			16	5	3,211	689	475		3,686	689	3,884	491	2	4,375
Unskilled Employees (A Level)	236	172					1		237	172	30		267	172	408	31	1	439
TOTAL	4,045	1,085	7	4	2	0	146	39	4,200	1,128	536	1	4,736	1,129	5,182	683	8	5,865

Risk Topic: 13 - Appointment of underqualified workforce (employees and contractors) - under performance
Table 29. 2023-2024 FY new and leaving employees by level and gender (number of)*

Employment Type	Gender	New Employees	Leaving Employees
Senior Management	Male	8	9
	Female	0	0
Middle Management	Male	13	32
	Female	4	6
Junior Management	Male	40	85
	Female	15	11
Core and Critical Skills	Male	596	545
	Female	150	125
Sub Totals		826	813

Diversity and Equal Opportunity

As a mining license holder, we are committed to adhering to the Mining Charter and BBBEE codes, which promote the inclusion of Women in Mining (WIM) and Historically Disadvantaged South Africans (HDSA). During the reporting period, a primary focus of our Human Resources (HR) Business Plan was to solidify the shortlisting process, ensuring that it aligns with the Employment Equity (EE) objectives outlined in our Employment Equity Plan.

We have implemented an Employment Equity Policy and an Inclusion & Diversity Management and Recruitment Policy to support these objectives. These policies guide frameworks to foster fair representation and inclusion across all workforce levels. The HR Business Plan, in collaboration with the Senior Human Resources Head of Department (HOD), continues to lead this critical agenda, cultivating an organisational culture that champions diversity, equal opportunity and inclusivity.

By promoting a diverse workforce, we meet regulatory obligations and create a more innovative and resilient organisation better equipped to navigate future challenges.

Risk Topic: 13 - Appointment of underqualified workforce (employees and contractors) - under performance
Table 30. 2023-2024 FY Year-on-year comparison of workforce composition

Material risk engagement topic	KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Mining charter and meeting BBBEE obligations	Employee Contractor ratio	Persons	Total number of employees	5,354	5,234		6,026	5,865	-3%
		%	Total number of contractors	2,469	3,146	4,683	4,519	2,116	-53%
		Persons	Contractor %	32%	38%	45%	43%	27%	-43%
	Engagements	Persons	Cadets	122	311	326	228	39	-83%
			FY New	697	272	663	938	826	-12%
			FY Leaving Employees	377	298	324	471	813	73%
	Workforce by Country of Origin	% of total	SA	4,676	4,586	5,031	5,392	5,328	-1%
			Foreign	678	648	609	576	537	-7%
			Local (50 km radius)	652	1,151	1,874	2,291	4,689	204%
	Workforce by local identification		Other (>50 km radius)	4,702	4,083	3,766	3,677	1,176	-68%

Our 2023-2024 FY Employment Equity Performance



Our organisational structure, from the board to top management, is relatively flat, which has presented challenges in meeting our Women in Mining (WIM) representation targets. While we have successfully met the Historically Disadvantaged South African (HDSA) target at Senior Management level, with 69.6% of our leadership comprised of HDSA individuals, our WIM representation stands at 12.5%, below the target of 25%.

To address this gap, we have instituted a directive to prioritise the appointment of African males and females when leadership positions become available, ensuring that we focus on building a more diverse and inclusive leadership team.

At the Mid-Management level (D1 and above), we have achieved our HDSA and WIM targets and are committed to maintaining this progress. For our C1 to C5 skilled workforce, we have reached the HDSA target, but meeting the WIM target remains a challenge, with current representation at 29.2%, slightly under the 30% target.

During the 2023 / 2024 financial year, promotions were concentrated on advancing HDSA and WIM candidates, further demonstrating our commitment to achieving our diversity objectives and driving transformation within the organisation.

Risk Topic: 13 - Appointment of underqualified workforce (employees and contractors) - under performance
Table 31. 2023-2024 FY HDSA and WIM representation by level performance

Efficiency Indicator		2021-2022 FY	2022-2023 FY	2023-2024 FY	
	Target HDSA's %	Actual HDSA %	Actual HDSA %	Actual HDSA %	% Change from the previous FY
Board	50%	100.0%	100.0%	100%	0.0%
Top Management	50%	66.7%	66.7%	66.7%	0.0%
Senior Management (E1 and above)	60%	62.5%	64.0%	69.6%	2.4%
Middle Management (D1 - D4)	60%	74.2%	77.7%	77.9%	4.7%
Skilled Employees (C1 - C5)	70%	83.5%	85.8%	86.8%	2.8%
Semi-skilled Employees (B Level)	60%	86.4%	88.2%	88.8%	2.1%
Unskilled Employees (A Level)	60%	93.8%	93.8%	92.9%	0.0%

Level		2021-2022 FY	2022-2023 FY	2023-2024 FY	
	Target WIM %	Actual WIM %	Actual WIM	Actual WIM	
Board	20%	0%	0%	0%	n/a
Top Management	20%	0%	0%	0%	n/a
Senior Management (E1 and above)	25%	13%	13%	12.5%	-5%
Middle Management (D1 - D4)	25%	31%	33%	36.5%	6%
Skilled Employees (C1 - C5)	30%	30%	28%	29.2%	-6%
Semi-skilled Employees (B Level)	60%	86.4%	88.2%	88.8%	2.1%
Unskilled Employees (A Level)	60%	93.8%	93.8%	92.9%	0.0%

Note: The DMRE do not specify targets for WIM targets for semi-skilled and unskilled employees, however the DoEL require businesses to comply with targets as set out in the EAP (Economically Active Population).

Plans are in place to address targets at professional and skilled levels on the mine. For the implementation of Employment Equity (EE) plans the following decisions were made:

- Should an HDSA leave the company – that position must be filled by an HDSA, preferably African female
- Replace positions vacated by non-HDSAs with HDSAs. With more focus on the group with a high percentage of underrepresentation when compared to the EAP demographics. The critical aspect of this will be to fill these positions with suitably qualified females
- Should a female leave a position or the company, the position must be filled by a preferably African female – in some instances it will be required to have Coloured females and Indian females
- We have a mutual agreement at OUPF level that no external non-HDSA will be shortlisted for C1 and above occupational levels, we will however consider Non-HDSA's from within SBPM as they have contributed towards the success of the company
- Remove all barriers regarding Employment Equity, to attract and retain HDSAs

SBPM will identify positions, which will become vacant during the next five years, using retirement age as a stepping stone, to ensure compliance towards Employment Equity targets.

Wheelchair Housing Adaptation

The company has renovated the properties to accommodate people with disabilities, which include people who are wheelchair-bound.

Race and Renumeration

Management conducted a comprehensive check to determine whether race plays a role in salary offers. The result proved there was no discrepancy in salaries based on race. The same report was presented to organised labour.

Safety Performance



Safety

As we begin to discuss safety and health, we are reminded that our commitment to safety and health as a company is a beyond-compliance performance level. It's a pledge to our people, our communities and the environment. It's an assurance that we will constantly strive for excellence, evolve our practices and leave a lasting, positive impact. In this section, we will outline our 2023-2024 indicator performance, our management approach, the effectiveness of our initiatives and how we integrate safety into every facet of our operations.

Leading Indicator Performance

A major concern in our leading indicator performance is the ongoing identification of repeat deviations by DMRE Inspectors. The key issues raised in stop notes revolve around non-adherence to established standards and procedures. Repeated deviations persist despite the regular issuance of stop notes addressing these non-compliances. A key factor contributing to this issue is the need for more commitment from supervisors to ensure safe production. The leading indicators show critical control failures in managing our major hazards, yet supervisors are not adequately addressing these concerns during their workplace visits. Additionally, the overall quality of inspections by senior supervisors needs improvement, as the current tolerance levels are unacceptable.

To address these concerns, we are reinforcing the enforcement of early-entry Visible Felt Leadership (VFL) drives and mandatory half-level meetings for all supervisors to ensure strict adherence to procedures. Furthermore, we have implemented monthly winch compliance audits to monitor improvements in winch conditions. Chief Safety Officers have also been assigned to inspect high-risk areas and ensure deviations are promptly closed out, driving continuous safety improvements.

Lagging Indicator Performance

Our current Lost Time Injury Frequency Rate (LTIFR) target is 1.04, and we are pleased to report that we have surpassed this goal with a performance of 0.92 for the reporting period—reflecting a 13% improvement over our 2022-23 performance. Improvements were achieved concerning Non-Lost Time Injuries (-56%) and Lost Time Injuries (LTIs), were eighteen percent lower (-18%) than the previous reporting period. 36.4% of the LTI's were categorised as high-energy incidents, primarily involving trucks, trams, falls of ground (FOG), and winches, while 63.6% were low-energy incidents with high-severity consequences.

Injury Agency (Total Injuries)

The leading causes of injuries were Handling Equipment / Material (22 incidents), Truck & Tram (13 incidents), and Slips & Falls (32 incidents). These injuries were predominantly due to non-adherence to mandated safety standards, highlighting the need for more focused training protocols and stricter enforcement of safety controls. Despite this, our overall safety performance has improved by 34%, indicating that the safety measures and awareness initiatives are yielding positive results. We are moving in the right direction, but we remain committed to continuous improvement in our safety practices.



Safety Campaigns

CHANGE YOUR MINDSET



SHINTSHA
Ngqondo

In the 2023-24 reporting year, we continued to drive the “Shintsha Ngqondo” campaign and implemented different safety initiatives, including the “Ugqatso oluphephile-Race 4 Safety Initiative” competition. The competition was going to include employees across all operations and was supposed to run for the 2023-24 financial year and onwards. The winners were going to receive a jackpot prize based on safety performance. Despite the competition being kept on hold, we drove other initiatives in service of changing the mindset of employees, including: “Pinagare” choreography and a dramatic stage performance. The performance involved a group of youth actors demonstrating the risk of unsafe work and working conditions, and the consequences resulting from unsafe practices. The “Pinagare” initiative was conducted at all operations during the early safety drive where all employees were engaged before going to their workplaces.

Safety drives had these key focus areas:

- The weekly safety drive topics via Comms Dept.
- Weekly Shifts Early Safety Drives
- Utilisation of “Pinagare” on safety topics
- PTO awareness conducted at all the shafts
- Safety Rewards and Recognition drives
- Weekly safety topics using different multi-media applications
- Weekly Family Season awareness
- Recognition of Teams
- Monthly Talk Topics
- Stop Notes compliance
- Follow-ups on high-risk areas
- Discussion of Previous Injuries for learnings
- Mass Meetings and Safety Reps Meetings
- Values drive and survey
- World Aids Day today awareness
- 16 Days of Activism for No Violence Against Women & Children

Although the Safety drives do encourage employees to change their mind sets and work safely. The current poor production performance is having a negative effect on employee attitudes. The obvious required pressure on improving production performance unfortunately results in short cuts being taken. This increases the risk of injuries.

Compliance and Consequence Framework

A key challenge faced during the reporting period was the effective implementation of the compliance and consequence framework. The framework is only as good as the effectiveness of its implementation. We are working toward consistency in application of the following aspects:

- Supervisors being held accountable for their workplace deviations through Safety Officers Inspection compliance which affects their production bonus
- Employees being held accountable for non-compliance to safety rules

Risk Inclination Assessments

Workshops and coaching sessions were conducted with senior teams while lower-category employees were scheduled. Workshops were held weekly on the mine, and coaching was planned for the teams that were found to be high-risk takers. A total of 1508 employees attended the workshops, and 475 were recommended for coaching.

Review of Incident Investigation Process

IRCA was appointed to conduct our HPIs and serious injury investigations. They will facilitate the process with our team to empower them with training on the RCAT Model. The RCAT training ran from March 2023 to the end of June, and a total of 14 sessions were held. The three-day training sessions were held weekly, and Trade Union Health and Safety representatives were included in reviewing the Incident Investigation Procedure and its templates.

Barring Tools

Waiting areas were identified as high-risk, and a plan was implemented to equip all of the waiting areas on site with pinch bars and barring equipment. The upgrades have been completed, and all waiting areas are up to standard.



Risk Topic: 11 - Non-compliance to the Safety Standards resulting in injuries and/or closure of the mine for a period

Table 32. 2023-2024 FY year-on-year integrated Human Capital – Safety indicator performance review

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Legal Compliance	Number of	Section 54	16	12	13	23	13	-43%
		Section 55	20	14	5	15	19	27%
		DMRE visits	32	28	28	57	58	2%
		No of Inspectors	72	57	88	74	81	9%
		Inspectors per visit report	2.19	2.04	3.14	3.89	4.26	9%
Injury and fatalities performance	Number of days	Fatalities	-	1	1	3	0	-100%
		Non-Lost time injuries	22	22	41	63	28	-56%
		Lost Time Injuries	109	89	112	96	79	-18%
		Days lost to injury	7,363	5,647	10,274	8,404	8,656	3%
SBPM LTIFR* Calculation	Number of	Hrs. Worked	14,787,151	15,097,981	16,265,470	18,213,204	17,056,443	-6%
		The Year-to-Date Lost Time Injury Frequency Rate (LTIFR)	1,47	1,18	1,38	1,05	0,92	-13%
Injury cause agency (Total Injuries)	Number of	FOG	15	14	23	18	12	-33%
		Track & Tram	2	2	7	11	13	18%
		Falling and Rolling Material	16	8	10	16	5	-69%
		Handling Material	24	21	22	12	9	-25%
		Slip and Fall	18	21	37	46	32	-30%
		Machinery	2	18	4	4	3	-25%
		Winches and Rigging	11	4	1	9	6	-33%
		Foreign Body	-	-	-	3	-	-100%
		Falling in Shaft / Excavation	-	-	-	-	-	-
		Gassing	-	-	-	-	-	-
		Electricity	-	-	-	-	-	-
		Burning and Scalding	-	-	-	-	-	-
		Splinters	-	-	-	-	-	-
		Scrapers, Winches and Rigging	-	-	-	-	-	-
		FB. In Eyes	1	1	-	-	2	200%
		Handling of Equipment	28	14	19	30	13	-57%
		Other	14	9	31	13	12	-8%
Total			131	112	154	162	107	-34%

Note: The historical data for Injury agency statistics change due to the UoM change from Lost time Injuries to Total Injuries.

Future Plans

Our safety improvement plan for the 2024-2025 financial year and beyond is built on a comprehensive approach that addresses both cultural and operational aspects of safety management.

Key focus areas include:

1. Critical Task Risk Assessment

We will prioritise critical task risk assessments to ensure that high-risk tasks are thoroughly analysed, and safety measures are effectively implemented. This will help mitigate risks associated with the most hazardous activities at the mine.

2. Enhancing Safety Culture through Behaviour-Based Care (BBC)

Given the challenge of non-adherence to standards and procedures, our primary focus will be on Behaviour-Based Care (BBC) to shift from a reactive safety culture to a resilient one. We aim to promote proactive safety practices among all employees by fostering greater accountability and awareness.

3. Risk Propensity and Leadership Engagement

We will revive the risk propensity framework across all management and operational leadership teams. This will involve identifying sections with poor safety performance and placing them in an Intensive Care Unit (ICU) for focused intervention, including Visible Felt Leadership (VFL) activities.

4. Focused Audits and Continuous Monitoring

- Conduct audits on all sections, including reviewing the last six months of Shift-boss logbooks and Mine Overseer Due-Diligence files, to identify safety gaps
- Implement winch audits and verification of the quality of the last six months of Mine Overseers' Planned Task Observations (PTO)
- Perform close-out verifications for all Section 54s and stop notes to ensure non-conformances are fully addressed, closing the safety loop effectively

5. Contractor Management

We will continue to enhance contractor management, ensuring that safety standards are uniformly applied and that contractors are fully integrated into our safety systems.

6. Isometrix Safety System Implementation

Implementing the Isometrix safety system will be pivotal in improving our safety performance. This system will allow for comprehensive data analysis, making high-risk issues, safety performance trends and safety communications accessible to all supervisors. This electronic safety platform will enable real-time tracking, analysis and reporting, significantly enhancing our ability to respond to safety challenges and highlight focus areas for improvement.

By integrating these strategies, we aim to strengthen our safety culture, improve compliance and reduce incidents, driving SBPM toward achieving a safer, more resilient operational environment.

Occupational Health Management

System Performance



Caring

Ensuring the health and safety of its workforce is not only a moral obligation for our company but also essential for sustainable and responsible mining practices. This report's scope of health performance reporting has been limited to occupational health activities, prevention interventions and occupational and non-occupation treatment.

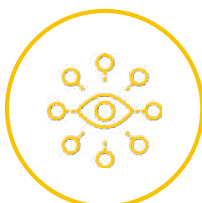
The other intervention areas include, but are not limited to:



Ventilation



Vector control



Health surveillance
of premises



Surveillance of
communicable
disease



Pandemic
management health
promotion &
awareness



Public health



Food, water
safety & quality
control



Wastewater
monitoring



Sanitation

Our occupational health performance for the reporting period shows gains and this within the constraints placed on us by the macro-economic environment, Table 33 outlines these.

Risk Topic: 17 - Non-compliance to mining charter and SLP commitments

Table 33. 2023-2024 year-on-year Occupation and Non-occupational health prevention interventions performance

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Non-Occupational Disease Management	Average Existing cases -Persons	Hypertension	1,168	1,220	1,303	1,551	1,651	-6%
		Diabetes (Combined Insulin and Non-Insulin)	206	260	286	338	412	-22%
		Pulmonary Tuberculosis on treatment	15	17	8	5	4	-20%
Hearing Loss Management	Persons	Cases Submitted	8	3	3	2	5	150%
		Cases certified	-	-	-	-	-	n/a
Patients on ARV Treatment	Average Patients on ARV treatment	Patients on ART	1,295	1,297	1,347	1,300	1,335	3%
Lung Disease Management	Persons	Pneumoconiosis	-	-	-	-	-	n/a
		Other lung diseases	-	-	-	-	17	n/a
95-95-95 HIV Programme	Average persons treated	1st 95%	66%	57%	63%	59%	71%	20%
		2nd 95%	81%	82%	89%	80%	85%	6%
		3rd 95%	71%	79%	85%	89%	91%	2%

Note: Concerning the reporting numbers on the 95-95-95 targets, our programme follows the calendar year and not the reporting year which leads to the numbers being skewed. This is caused by the programme being reset in the January skewing the numbers lower.



Intervention Description	
Primary Prevention	Monthly health talk topics at the OHC, i.e., Hypertension, diabetes, HIV, tuberculosis, substance abuse, COVID-19 etc.
	Health talks during safety meetings by the wellness coordinator
	Health talk by social worker during induction, e.g., adherence, fatigue and stress management, substance abuse, rate of absenteeism
	Health-related campaigns as per calendar, e.g., HIV and AIDS, TB, and other chronic conditions. Outlook is to expand this to include ergonomics and eye care
	Risk-based medical surveillance for all the employees as scheduled.
	Health talks by the social worker at OHC as per schedule. Include but are not limited to: Substance abuse, stress management, fatigue, sick note abuse, etc.
Secondary Prevention	Random screening at PHC, i.e. all vitals (blood pressure, glucose, urine testing, height and weight, temperature and VCT, etc.)
	Medical surveillance vitals (blood pressure, glucose, urine testing, height and weight, blood saturation, temperature, and VCT, etc.)
	Follow-ups. Follow-up visits at OHC as per indication as well as to the Public Health Clinic
	Refer newly diagnosed patients for further management.
Tertiary Prevention	Refer social worker i.e., Adherence, fatigue and stress management, substance abuse, rate of absenteeism.
	Refer, if necessary, to PHC for appropriate specialist examination and treatment.
	Referrals for medical and occupational rehabilitation as per indication

Health Management Interventions

Management interventions that were deemed successful in the reporting period include the following:

- Implementation of the new chronic disease management system – which is synchronised with the chronic disease review whereby patients are put on a 6-month chronic disease review programme where they are monitored and checked for treatment delinquency
- Implementation of the new electronic health record system allows for trend analysis and visualisation of health trends. This allows health trends to be picked up in real-time, promoting swift decision-making and timely interventions. Quality of care is improved because, like in the case of ARV treatment, workers not subscribing to their treatment plan trigger an alert which can be flagged and followed up
- Implement regular health talks, using the international health calendar as a guide to improve health awareness in employees and contractors. These programmes have borne fruit in terms of changing attitudes toward health. We have seen a marked decrease in workers refusing testing, particularly for HIV.

Hypertension and Diabetes

Hypertension and diabetes treatment cases showed a sharp decline from previous reporting periods. This was attributed not to a decrease in the prevalence of these diseases because we have found that the prevalence is constant in the communities from which labour is drawn. We have identified gaps in reporting for which we are working to find solutions.

The first of these gaps relates to the way the cases are recorded based on onboarding and offloading of new and leaving employees. This is because employees who leave often are those with chronic diseases, and when those employees are replaced, they are on-boarded as having these conditions at such a time as they can be screened and diagnosed. This creates a situation where the numbers don't reflect the actual prevalence of these conditions in the worker population. To remedy this, we now require employees to bring their proof of treatment from their health care providers to be on-boarded correctly. This has the added benefit of allowing the continuation of care to be seamless so that correct monitoring can occur to ensure compliance with treatment schedules.

The second identified gap is that contractors are not treated through Platinum Health but are treated by other healthcare providers, some from the state and others private. It isn't easy to obtain records from these third-party healthcare providers due to privacy concerns. Still, we are engaging with the clinics in the communities to find a solution to this problem so that all cases are tracked and accounted for. There is further responsibility, we feel, that all workers, irrespective of their permanent or contractor status, should receive effective and adequate treatment for these diseases. An information-sharing arrangement between the various health care providers would improve the level of care and ensure that some workers don't fall through the cracks in care.

Pulmonary Tuberculosis

An increase in pulmonary tuberculosis treatment cases can be seen in many respects as a measure of the effectiveness of screening. However, our number of treated cases has diminished, and we see this as a challenge to ensure that we screen all employees regularly. We set a target of screening all employees by the end of the year. Because of the link between HIV and Tuberculosis, interventions have been effective:

- We use a test-and-treat approach, following up on patients diagnosed positive for HIV
- Vulindlela campaigns, where screening is conducted, and positive cases are referred for further care
- Platinum Health invests heavily in primary health care, where screening and prevention are preferred to treating, which is the most effective and economical way of disease management

Noise-Induced Hearing Loss (NIHL) Performance

SHEQ management interventions have resulted in stricter application of the Hierarchy of Controls for hazards in the workplace. Hearing loss management cases have decreased accordingly in the reporting period.

The GM has appointed a new Hearing Conservation Committee. One of the key deliverables is to risk assess equipment, especially old equipment with high noise levels so that appropriate preventative or engineering controls can be implemented.

Action plan to further reduce the number of new NIHL cases:

- Developed noise source-based risk assessment to introduce engineering controls to reduce noise exposure at identified sources or on equipment
- Hearing coach is currently roving between the operations to take moulds and assists with the issuing of customised hearing protection devices
- The hearing coach services all issued devices to designated employees to verify effectiveness and to address any discomfort when employees are wearing their personal custom hearing protection devices
- Employees who are diagnosed with NIHL are also referred to the hearing coach offices at the hospital for moulds and fitment to be done, and they are closely monitored at an interval not exceeding six months

All underground workplaces have been zoned, and supervisory employees enforce the use of hearing protection devices (workplace demarcations).

SBPM's HIV 95-95-95 programme

The 95-95-95 programme's goals are:

- 1st 95% - 95% of total employees should undergo voluntary counselling
- 2nd 95% - 95% of those employees who have undergone testing and tested positive should be started on ART
- 3rd 95% - 95% of those on ART should be virally suppressed

A caveat to the reporting numbers on the 95-95-95 targets is that our programme follows the calendar year and not the reporting year, which leads to the numbers being skewed. This is caused by the programme being reset in January, skewing the numbers lower.

We achieved an increase in the use of ARV treatment, which is attributed to the success of awareness campaigns. All new employees who test positive or are known to be positive are referred to initiate treatment or must produce proof of treatment.

95-95-95 goal for the 2024-2025 FY

The goal for the 2024-2025 financial year is to reach the 95-95-95 target. We still intend to match the WHO's new goal for HIV / AIDS management, which is to achieve the 95-95-95 percentile goal by 2025.

Future Plans

Plans in the works for 2024-2025 FY include the following:

- Non-communicable disease management plans must be changed to accommodate changes implemented to address the gaps identified in the monitoring of worker health irrespective of contractor/employee status
- Addressing the tax on resources and the drive to use resources more efficiently and effectively there will be an effort to focus resources where they are most needed not expending resources on NCOPs that are not high risk, cutting all unnecessary visits to health care facilities
- Engage local community clinic managers to establish a forum to deal with TB collaboratively across company/community lines. Furthermore, to facilitate information sharing to improve the level of care of contractors receiving treatment from the state
- Improve tracking and actively manage HIV treatment of patients receiving treatment from the state
- Integration of mental health KPIs for future reporting as addressed by SDG 3 and the Minerals Council



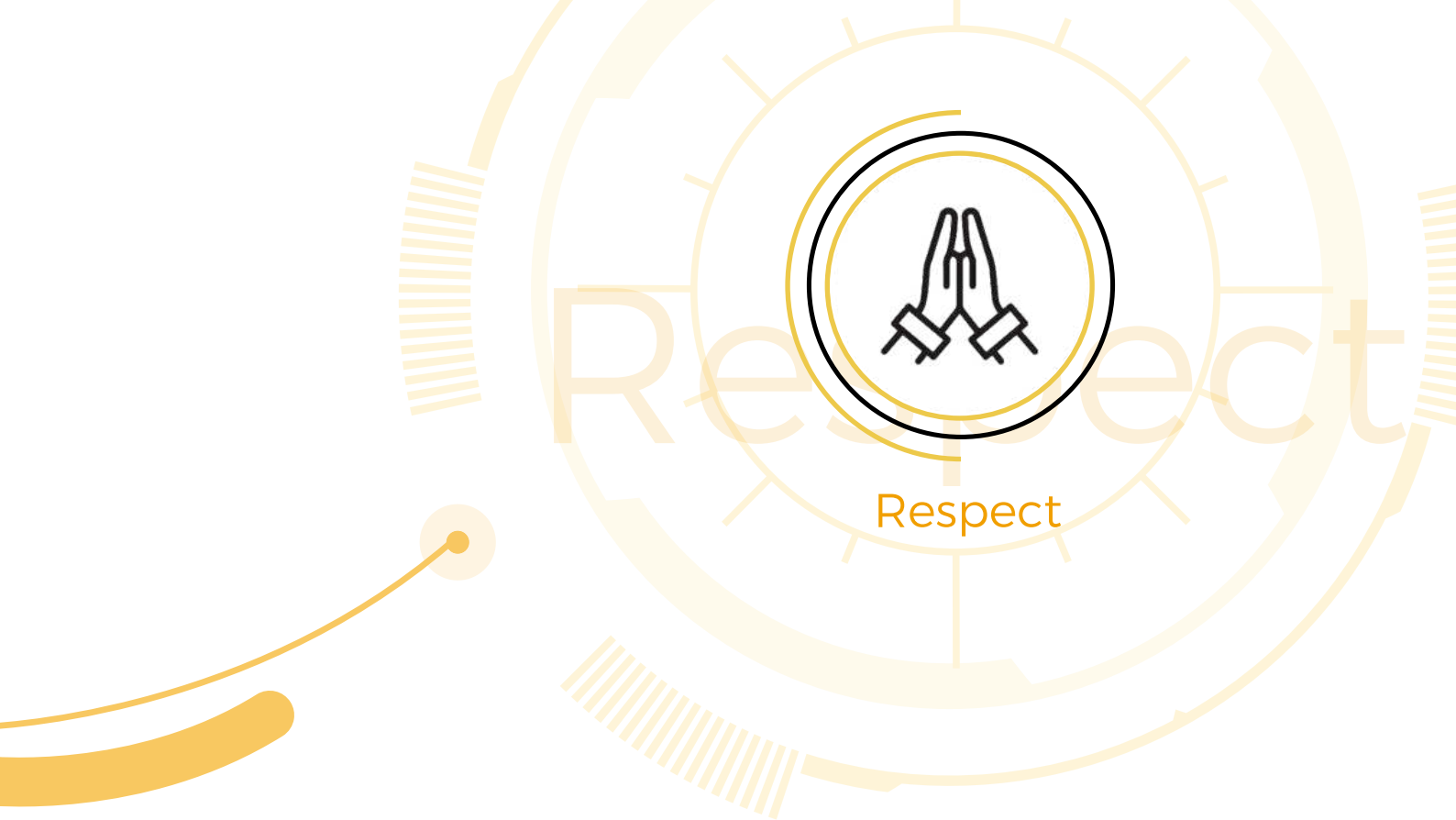
Mental Health

An emerging issue that is becoming an essential issue within mining, especially across the platinum sector, is employee mental health. With the prospects of Section 189 on the horizon and the general economic climate, there has been an increase in substance abuse and gender-based violence hence the need for counselling and social services. SBPM does have a social worker and psychologist on site, and communication has been conducted with human resources to refer employees to these services on an ad hoc basis.

Human Resource

Development (HRD) Performance





Human Resources Development in the context of responsible mining is not merely a strategic imperative but a commitment to nurturing the very heart of our industry: our people. In this pursuit, we aim not only to advance the knowledge and capabilities of our employees but also to empower the communities we operate within, fostering a legacy of sustainable development and social progress. This commitment to Human Resources Development underscores our dedication to responsible mining practices, ensuring a brighter, more equitable future for all stakeholders.

Employee and community development is not only a critical component of meeting our Mining Charter and Section 93 of MPRDA (Act 28 of 2002) legislative requirements but also a key strategic imperative of our business strategy. Government regulation mandates that we invest at least five percentage of the payroll in our HRD programmes. Our HRD programme is focused on training employees and potential employees, referred to as learners, either on site or externally.

At the start of the reporting period, the Human Resource Department recognised that the challenging economic environment would significantly impact the ability to meet targets. Despite these constraints, the team remained committed to delivering on the business's approved budget and fulfilling our Social and Labour Plan (SLP) obligations. Our goal was to enhance our BBBEE and Mining Charter skills development scores.

Due to the unfavourable economic climate, nearly all plans for the financial year had to be revised. To mitigate the impact, we negotiated with the Mining Qualifications Authority (MQA) to secure discretionary funding to offset costs incurred during this period. Support was provided through grants for specific learnership. Additionally, the HRD team negotiated with the Department of Mineral Resources and Energy (DMRE) to defer costs on some SLP commitments, such as portable skills training.

Despite considerable financial constraints, the HRD team made meaningful progress. Table 35 summarises the outcomes for the 2023-2024 reporting period.

Employee and community development is not only a critical component of meeting our Mining Charter and Section 93 of MPRDA (Act 28 of 2002) legislative requirements but also a key strategic imperative of our business strategy.



Risk Topic: 13 - Appointment of underqualified workforce (employees and contractors) - under performance

Risk Topic: 17 - Non-compliance to mining charter and SLP commitments

Table 35. 2023-24 FY Year-on-year Human Resource Development (HRD) performance

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY	% Change from the previous FY
Non-Occupational Disease Management	Average Existing cases -Persons	Induction Training	7,262	6,858	9,431	9,504	10,383	9%
		Skill Training - Mining and Engineering	5,346	4,873	6,338	7,565	6,355	-16%
		Skills Programmes -Mining	757	608	1,033	1,296	474	-63%
		Skills Programme - Process	12	20	32	109	26	-76%
		Psychometric Services Assessments	386	340	624	1,576	1,356	-14%
		Safety Training	738	526	769	865	1,045	21%
		External Training	70	49	677	1,561	1,259	-19%
		Concentrator Core Business Training (Theory)	9	30	79	258	462	79%
		Section 54 & 55 Training	700	997	863	2133	369	-83%
		Total Core and External Training	15,280	13,747	20,068	24,867	21,729	-13%
Adult Education and Training (AET)	Training interventions	Full - Time AET	20	20	19	14	18	29%
		Own – Time AET	21	11	43	27	19	-30%
		Total AET	41	31	62	41	37	-10%
Cadetship	Training interventions	Total Cadets trained	122	311	326	228	39	-83%
HRD Learning and Bursary Programmes (Individuals in programme)*	Training Interventions	Graduate Programme	3	4	16	21	20	-5%
		Vocational Programme	2	7	9	9	10	11%
		P1/P2	3	1	1	9	9	0%
		End User Computing Learnership	0	0	11	10	30	200%
		Junior Engineer in Training	Not reported on in previous IARs	1	1	0%	1	0%
		Internship	Not reported on in previous IARs	5	5	0%	17	n/a
		Engineering Learnership (18.1)	13	13	32	31	24	-23%
		Engineering Learnership (18.2)	12	10	26	36	34	-6%
		External Bursaries	0	6	12	17	29	71%
		Internal Bursaries	24	26	48	83	18	-78%
		Engineering Repair Person	0	0	0	33	74	124%
		Mining Learnership	0	0	0	3	13	333%
		Hospitality	Not reported on in previous IARs				4	n/a
		Total	57	67	155	258	271	5%

Notes:

- *Training is measured based on the number of participants per intervention session*
- *SBPM provides internal training interventions for employees and contractors (i.e., induction training, etc)*
- *External training is training interventions provided by external training providers at the mine or at external institutions for employees, contractors, as well as community members*

An employee may attend more than one training intervention in a year. For example, an employee will come for refresher training (Scraper Winch Operator) when he/she returns from leave. The same person might be nominated for re-skilling (Skills Training in Mining and Engineering for a different occupation, i.e., Mining Team Supervisor). The same employee might also have to complete a Competent A course under the Skills Programmes. He or she may also be required to attend First Aid Training, which falls under Safety Training.



Expenditure on HRD

SBPM's Human Resource Development programmes can be categorised into two areas: internal and external training. These HRD training programmes are the education and training response component to ensuring that we meet our Human capital-based legislative and strategic objectives.

Internal Training Programmes

Internal Training interventions continued as per our SLP commitments.

- **Cadetships** - In line with cost-cutting measures, we reduced the onboarding of contractors and permanent employees, leading to a significant decrease (63 -78 %) in the number of skills programs completed. We did not run our Cadetship programs, such as the Concentrator and Process Skills Programs, unlike previous years, due to their extended duration and high cost. These programs have traditionally been a key part of our skills development initiatives, but financial constraints made it unfeasible this year.
- **Adult Education and Training (AET)** – Own-time and Full-time AET continued in the reporting period but at a lower level.
- **Internal Bursaries** – Part-time education assistance for SBPM employees studying at external tertiary or post-graduate institutions according to everyone's career development plan. These initiatives are in line with the SBPM Education Assistance policy. Internal bursaries were placed on hold due to cost-cutting directives.
- **Learnerships (Mining and Engineering)** – No new intakes were planned for this financial year due to cost-cutting
- **Mining Qualification Authority (MQA) Skills Development Programmes** - Competent A, Competent B and Blasting Assistance, RDO, as well as the Full Time Health and Safety Representatives skills programme
- **Internal Short Courses** – In-house short courses for employees. Any training not part of the formal qualification is classified as a short course. Mentorship training, Engineering level 1, Safety Rep training, Concentrator Level 2 short courses
- **Section 54 Training:** Occurs only at the request of the DMRE when operations are visited, and a training gap is identified that necessitates further on-the-job training

Refresher Training

Refresher Training occurs yearly, depending on occupational type, level and the associated skills matrix. Employees receive refresher training, which include:



**Induction
Training**



**HITS
(hazard identification
treatment system)
Training**



First Aid



**License
Renewals**

External Training

All external training interventions were stopped due to cost savings, and only legally required occupational training interventions were approved. Study assistance was also stopped and will only be re-opened as soon as the operation can afford to do so.

- **External Internships:** Work exposure programmes for students on vacation or for P1 and P2 students who need work exposure to complete their qualifications
- **Bursary Programme:** Youth supported in studying towards mining specific disciplines
- **Community Learnerships:** 18.2 and Community Economic Development (CED) learners
- **External Short Courses:** For employees attending courses offered by external training institutions
- **Graduate / Internship Programs:** For community youth and Industrial demand (Mining Industry)

Social and Relationship Capital

A responsible mining approach recognises that the value of a mining operation extends far beyond the minerals extracted—it encompasses the importance of social and relationship capital. Prioritising these aspects means fostering genuine, enduring partnerships with local communities, indigenous groups and stakeholders. By actively engaging, listening and responding to their needs and concerns, SBPM seeks to build trust, create shared value and leave positive, lasting impacts. This approach not only enhances the well-being of those affected by mining activities but also ensures the sustainability of our operations, acknowledging that vibrant relationships are integral to the success and social license of the mining industry.

SBPM, through its Social Performance Department, is fully committed to developing its host communities and relevant stakeholders. The Finance and Supply Chain team is responsible for transforming the local economy by prioritising procurement through local businesses. Since SBPM acquired the Union mine in 2018, we have fostered a trusting relationship between the mine and our stakeholders. **Like all relationships, there will always be challenges, but through meaningful engagement and delivery of commitments, there have been no community interruptions to operations.**

One of the main objectives of the SLP is to ensure that mining uplifts the socio-economic environment of the regions where mines operate. At SBPM, compliance with the SLP and mining charter is only one of many reasons we channel significant financial capital into building and strengthening the community's Social and Relationship Capital.

For the purposes of implementing the Social and Labour Plan and Mine Community Development projects, the term “Mine Community” refers to the communities where mining takes place, major labour-sending areas, and adjacent communities within the local, metropolitan, and/or district municipalities. Our stakeholder engagement plan can be seen below in Table 36.

Combined	Budgeted expenditure 2023-2024	Budgeted expenditure 2024-2025
Determine the objectives and scope of engagement	SBPM Executive	As required / Annually
Identify stakeholders	Executive Head, Sustainable Development, with input from the Social Performance Department	Ad-hoc
Determine Stakeholder interest	Social Performance Manager	Monthly
Determine/Evaluate current stakeholder disposition	Social Performance Manager	Annually
Develop a Stakeholder Engagement Plan	Social Performance Manager	5-year plan revised annually
Approve Stakeholder Engagement Plan If Yes: Go to Step 8	Executive Head, Sustainable Development	As required
If No: Go to Step 7	Social Performance Manager	As required
Revise the Stakeholder Engagement Plan	Social Performance Manager	As per plan or as required
Engage Stakeholders	Executive Head, Sustainable Development	As required
Implement the plan and report on progress.	Social Performance Manager	

Stakeholder Engagement

The reported Stakeholder Engagement (SE) information must include any new external stakeholders, new issues and / or insights on external stakeholders. The external stakeholder engagement function will be subject to a formal annual internal audit that will inform a report to the SBPM Board of Directors. The External Stakeholder Engagement Procedure aims to establish a successful roadmap for engaging with the mine's host communities and identifying projects.

The objectives of external stakeholder engagement processes are:

- To identify and address the needs and requirements of all stakeholders to ensure total buy-in and support
- To ensure seamless integration and alignment with the current processes and initiatives

As SBPM is a mining right holder, we are required to identify the impactful developmental priorities of the mine communities in consultation with relevant municipalities, mine communities, traditional authorities, and affected stakeholders. The identified developmental priorities must correspond with the prescribed and approved Social and Labour Plan.

Stakeholder engagement during the reporting period

Proactive stakeholder engagement has been vital in maintaining strong relationships, especially during the downturn in commodity prices. We successfully managed community expectations amid necessary cost-cutting measures, ensuring stable relations despite increased complaints. This approach has prevented any disruption in production due to strike action.

In the 2023-2024 reporting period, SBPM implemented several strategic initiatives to engage stakeholders and effectively manage local community expectations.

We utilised multiple communication platforms to engage different sectors within the communities. Our quarterly Community Engagement Forums (CEF) served as key touchpoints for discussions with local councillors, government departments, and traditional leaders. These forums provided a platform for transparent communication on issues such as the mine's financial situation and community development efforts.

Additionally, we engaged recruitment clusters—responsible for local recruitment—every month to ensure they were informed about the impact of falling commodity prices on the availability of employment opportunities for local workers. This helped align expectations and foster understanding regarding the mine's recruitment capacity within the communities.

Local SMMEs, which benefit from our preferential procurement policy, were regularly updated on the progress of ring-fenced business opportunities. Furthermore, SBPM actively participated in Local Economic Development (LED) and Integrated Development Plan (IDP) forums of the Thabazimbi and Moses Kotane Local Municipalities. These sessions provided an opportunity to inform municipalities about the mine's financial challenges.

During these engagements, stakeholders demonstrated their commitment by agreeing to assist the mine in relaying accurate information to their communities, encouraging employees to remain dedicated to their work, and discouraging community protests and absenteeism.

Key engagements undertaken:

- Moses Kotane and Thabazimbi Local Municipality on the financial situation of the mine
- Government Departments such as Health and Education have been engaged in deferment of their projects
- Tribal Authorities such as BBKTA and Baphalane ba Ramokoka and Mantsarre have been engaged in the financial situation of the mine
- DMRE has been engaged in the deferment of SLP3 commitments to 2025 and submitted our annual report and implementation plan

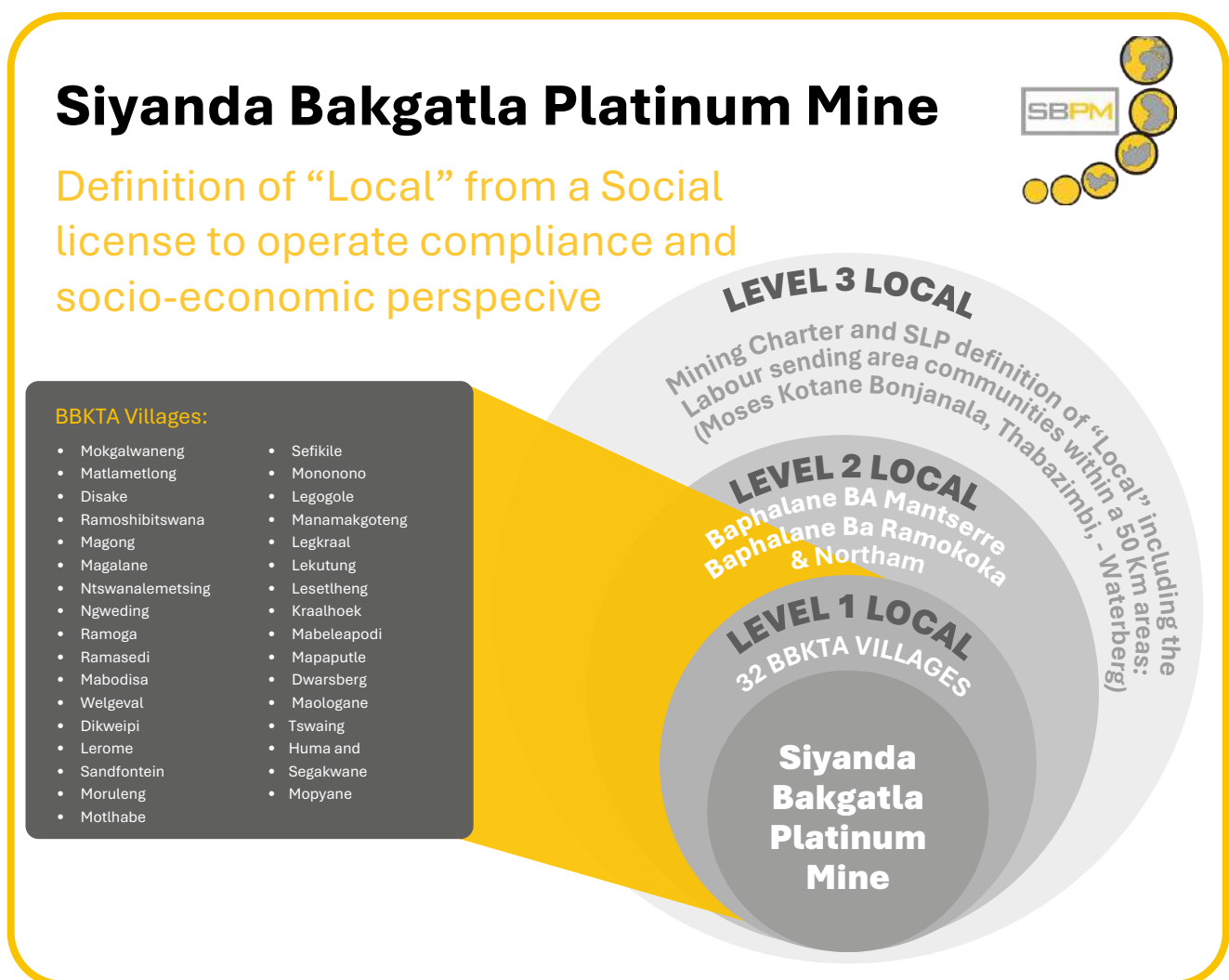
Preferential procurement

The Mining Charter specifies that a percentage of total discretionary expenditure, which is the total procurement expenditure less expenditure that a mining company cannot influence, should be from black-owned companies. Preferential procurement is the ringfencing of opportunities to local companies, specifically the Bakgatla-ba-Kgafela businesses. Thus, preferential procurement is a strategic right-to-mine compliance and shareholder commitment material management area. Sound business principles and good governance underlie all procurement transactions. There will be no compromise on quality, delivery, service, safety, health and environment, or any other technical requirements. The Social and Ethics Subcommittee (SEC) sets procurement objectives. The performance against goals is tracked at the quarterly SEC meetings.

There are three obligation areas that are managed, these being:

- Mine acquisition shareholders agreement - The Bakgatla-ba-Kgafela or its nominee should directly participate in 40% of the procurement of goods and services by value as per the shareholder's agreement
- Historically Disadvantaged South African (HDSA) commitments - Procurement of goods and services from entities that are at least 40% owned by HDSAs
- Mining Charter and SLP statutory obligations - The compliance targets from HDSA-owned companies (>51%) women and youth-owned enterprises

Figure 11. SPBM's differentiation of "local" communities 112



Preferential Procurement Performance

The total SBPM discretionary spend for the period under review amounted to R3,365,235,785, including spending with OEMs. The HDSA spend achieved is R 930,691,229, representing 28% of spend (against total discretionary vendor spend (TDVS) with OEM's spend included) with companies classified as belonging to historically disadvantaged groups and individuals. The spend with local BBK vendors was R697,667,476, representing 21% of TDVS against a target of 40%. Total HDSA spending with companies with >26% BEE ownership amounted to R 2,980,035,018, translating to 89% of TDVS.

Risk Topic: 17 - Non-compliance to mining charter and SLP commitments

Risk Topic: 18 - Protest action instability of Communities around the mine - Volatile economic environment

Table 37. 2023-24 FY Year-on-year review of SBPM's preferential procurement categories (ZAR)

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Compliance Preferential Procurement	ZAR	Total Discretionary Vendor Spend (TDVS)	R2,131,797,083	R2,667,409,698	R3,584,824,863	R4,307,643,516	R3,365,235,785	-22%
		Total HDSA BEE Spend (>26% BEE Ownership)	R1,590,012,700	R1,668,513,643	R2,978,136,892	R3,516,222,923	R2,980,035,018	-15%
			R1,310,261,534	R532,264,183	R852,756,557	R3,566,461,866	R930,691,229	-74%
Shareholders Obligation Preferential Procurement	ZAR	Bakgatla Ba Kgafela (BBK) Vendors	Not reported on in previous IARs	R648,010,516	R815,263,899	R697,667,476	-14%	N/A

Preferential Procurement Future Outlook

SBPM continue to ring-fence as much of the supplies and services vendor function as possible to maximise local expenditure. This strategy includes SBPM's Core Services. SBPM has refined the procurement strategy to ensure that the ring-fenced opportunities are advertised as broadly as possible within the local communities. The advertisement of these opportunities remains the primary responsibility of SBPM. There has been a concerted effort by SCM to conclude commercial contracts for opportunities awarded in the past. SBPM is determined to speed up the discretionary vendor expenditure to procure goods and services from entities that are at least 40% owned by HDSA companies or HDPO individuals.

The focus area for the 2023-2024 FY was to maintain strong, sustainable relationships with external stakeholders despite the challenging financial landscape caused by declining commodity prices.

A key focus of our future efforts is uplifting local communities and promoting sustainable economic growth. SBPM is committed to ensuring that the livelihoods of surrounding communities are positively transformed by implementing targeted local economic development programs. These include preferential procurement, education and skills development initiatives, community health improvements and infrastructure development.

Achieving these goals requires ongoing and collaborative engagement with various stakeholders, including local communities, municipalities, and tribal authorities. We must ensure that our initiatives are aligned with their needs and contribute to a long-term, meaningful impact.

Risk Topic: 17 - Non-compliance to mining charter and SLP commitments

Risk Topic: 18 - Protest action instability of Communities around the mine - Volatile economic environment

Table 38. Preferential procurement indicator performance during the 2023-2024 FY

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Compliance Preferential Procurement	% of TDVS	Total HDSA BEE Spend (>26% BEE Ownership)	75%	63%	83%	82%	89%	8%
		Local HDSA (Mining Charter definition, located <=50 km)	61%	20%	24%	25%	28%	11%
Shareholders Obligation Preferential Procurement	% of TDVS	Bakgatla Ba Kgafela (BBK) Vendors	Not reported on in previous IARs	18%	19%	21%	10%	N/A

Supplier Development (SD)

Our SD programme managed through the Supply Chain Department, aims to develop and improve the capabilities of our local communities, particularly the BBK registered suppliers, to meet the procurement needs of our business and peer miner organisations. This includes mentoring and training to enhance business processes and product quality.

Risk Topic: 17 - Non-compliance to mining charter and SLP commitments

Risk Topic: 18 - Protest action instability of Communities around the mine - Volatile economic environment

Table 39. 2023-24 FY Year-on-year review of BBKTA ringfenced Supplier Development initiatives

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Supplier Development	ZAR	Expenditure on SD Beneficiaries			R18,196,546	R12,100,603	R404,113.71	-97%
	Number of	Suppliers benefitted from funding			20	20	3	-85%

Enterprise Development (ED)

The Enterprise Programmes, managed by the Social Management Department, aim to support the growth and sustainability of local small and medium-sized enterprises (SMEs), especially those owned by HDSAs, to enable them to participate competitively in the regional economy. These programmes or initiatives may be funded via SBPM's operational budget.

Risk Topic: 17 - Non-compliance to mining charter and SLP commitments

Risk Topic: 18 - Protest action instability of Communities around the mine - Volatile economic environment

Table 40. 2023-24 FY Year-on-year review of BBKTA ringfenced Supplier Development initiatives

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Enterprise Development	ZAR	Expenditure on SD Beneficiaries			R6,202,219	R2,004,080	R2,279,352.18	14%
	Number of	Enterprises benefitted from funding			5	4	9	225%

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Supplier and Enterprise Training	ZAR	Expenditure on Training				R13,151,511	R4,096,527	-69%

Local Economic Development (LED)

The Socio-Economic Development (SED) or Local Economic Development (LED) projects planned and implemented, is based on meeting SBPM's Social and Labour Plan (SLP) commitments. Most of the LED and SLP engagements were done jointly with our material stakeholders, specifically, local municipalities, communities traditional leaders and government departments. The Social Performance Manager (SPM) and the Executive Head of Sustainable Development are responsible for external engagement. The SPM must report monthly to the General Safety and Sustainable Development Manager of SBPM and to the Executive Head of Sustainable Development. In addition to these reporting duties, the SPM reports on a quarterly basis to the Community Engagement Forum (CEF) and Municipality Local Economic Development Forums.

The SBPM LED programmes and associated projects are based on Social and Labour Plan commitments. For the 2023-2024 financial year (FY), we were focused on completing the second generation of projects we inherited when we acquired the business.

There are four LED community-based focus areas of SBPM's SLP commitments, these being:



Infrastructure



**Education
and Skills
Development**



**Income
generation**



**Health and
Social Welfare**

The decision to defer the SLP3 commitments to 2025 necessitated thorough consultations with regulatory authorities and other key stakeholders. In our discussions with the Department of Mineral Resources (DMR), we communicated the challenges preventing the implementation of planned projects for the 2023 / 2024 financial year.

As a result of these consultations, we received formal approval from the DMR on June 4, 2024, granting the deferment of the SLP3 commitments. This approval also included the overall endorsement of the proposed SLP3 interventions.

These engagements have not only facilitated the necessary adjustments to our timelines but have also reinforced our collaborative relationship with the DMR, ensuring that we remain aligned with regulatory expectations while continuing to prioritise the sustainable development of our local communities.

Risk Topic: 17 - Non-compliance to mining charter and SLP commitments

Table 41. 2023-24 FY Year-on-year review of expenditure on SLP linked LED projects (ZAR)

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
SLP Programme expenditure by LED category	ZAR	Infrastructure	Not reported on in previous IARs		R10,089,475	R6,456,125	R3,674,875	-43%
		Education and Skills Development			R1,767,720	R1,063,501	R2,134,753	101%
		Income generation			R1,344,905	R0	R0	N/A
		Health and Social Welfare			R113,099	R924,339	R190,330	-79%
		Total SLP Spend	R14,780,048	R10,683,768	R13,315,199	R8,443,965	R5,999,958	-29%

Notes: Not all LED interventions are based on compliance and planning. Community organisations can request financial or in-kind assistance in the form of donations. The SBPM Code of Conduct provides guidance on what a donation is and how donations can be distributed ethically. The code states that donations may only be made by or on behalf of the Group after prior written approval has been obtained from the Mine General Manager, Safety and Sustainable Development Manager or Executives. The Executive Head of Sustainable Development reviews material donations.

Our Budgeted SLP 3 Local Economic Development Projects 2021 – 2025:

- **Focus Area 1** - Infrastructure R 70 939 021
- **Focus Area 2** - Education and Skills Development R 42 366 667
- **Focus Area 3** - Income Generation R 5 000 000
- **Focus Area 4** - Health and Social Welfare R 3 300 000
- **Focus Area 5** - Portable Skills R 8 535 063

Risk Topic: 17 - Non-compliance to mining charter and SLP commitments

Table 42. Year-on-year disclosure of LED sponsorship and donations to local community organisations (ZAR)

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Social Performance LED Goodwill	ZAR	LED	Not reported on in previous IARs	R10,089,485	R2,949,551	R4,096,527	39%	-69%

Good Outcomes Stories
**from our Local
Economic**
Development Team



Educational Programmes

SBPM takes great pride in supporting education and skills development for local learners in the Moses Kotane and Thabazimbi Local Municipalities. Despite challenges, the performance of our education and skills development initiatives during the reporting period was commendable, and several key success stories have emerged.

Winter Camp for Grade 12 Learners

One of our flagship initiatives, the annual winter camp, provided more than 200 Grade 12 learners with an intensive catch-up program focused on math and science subjects. This initiative, run in partnership with the Department of Education in the North West and Limpopo provinces, aims to give learners access to additional resources and expert instruction. The intervention has made a tangible impact, contributing to improved Grade 12 pass rates in both municipalities, as evidenced by the results:

Top Performing Schools in Moses Kotane Local Municipality (BBKTA):

- Kgamanyane in Moruleng: **98.2%**
- Kgalatlowe in Motlhabe: **97.3%**
- Lerome in Lerome: **95.8%**

Top Performing Schools in Dwaalboom Circuit (Thabazimbi Local Municipality):

- Thekganang in Amandabult: **96%**
- Itireleng in Rooiberg: **92%**
- Northam Comprehensive in Northam: **90%**



Munien Maths Academy (MMA) Project

The Munien Maths Academy (MMA) has been instrumental in improving mathematics outcomes across several local schools. Since its inception, it has significantly boosted learners' performance, fostering a deeper understanding of mathematics among participants.

Sefikile Primary School: At Sefikile Primary, the program launched in 2021, and by 2023, Grade 6 learners excelled in their provincial exams. Notably, Mphaile Tsholofelo scored an outstanding 98.33%, with many other students showing impressive progress. Learners such as Sekhinya Remoamogetse, Thootse Amogelang, and Ramalete Reotshephile have demonstrated massive improvements compared to their previous math grades. Additionally, standout performers like Mokubung Oratile, Xhoba Minenhle and Madibela Bokang maintained their high standard of excellence in mathematics.

Makuka Secondary School: The MMA program, introduced at Makuka Secondary in 2022, has received widespread appreciation from the school management and the School Governing Body (SGB). Although the school has yet to release detailed individual performance reports, there has been a notable overall improvement in mathematics outcomes for the Grade 8 learners who moved to Grade 9 in 2023. The community and parents have shown significant support for the program, contributing to its success.

Platinum Primary School: At Platinum Primary, the MMA program began in March 2023 for a select group of Grade 5, 6, and 7 learners. While some students showed improvement, attendance was hindered by scheduling conflicts with sports and cultural activities and transportation issues. Nevertheless, the school's management and SGB have expressed their gratitude for the program, recognising its potential to impact learner performance positively.

Throughout the reporting period, the mine completed and handed over several impactful community development projects to enhance educational facilities and improve health and safety services in the surrounding areas. These initiatives reflect our commitment to fostering sustainable development and contributing positively to the communities we serve.

Educational Infrastructure

We proudly completed the construction of a new administration block and kitchen at Tlhaalapitse Primary School. This facility is designed to enhance the school's administrative capabilities and provide students with nutritious meals, contributing to their overall well-being and academic performance.

The library and lapa at Northam received significant upgrades, transforming these spaces into conducive environments for learning and community gatherings. The improvements provide residents with better access to educational resources and a welcoming area for community events.

At Mochudi Secondary School in Mokgalwaneng, we completed the construction of new ablution facilities and a kitchen. These enhancements address essential sanitation needs and ensure students access proper hygiene and meal preparation facilities, fostering a healthier school environment.

The project at Tshomankane Secondary School included the construction of new ablution facilities and the upgrading of existing classroom blocks. These improvements aim to create a more supportive and comfortable learning environment for students, promoting higher attendance and better educational outcomes.

Health and Safety Equipment

We proudly handed over a fully equipped ambulance to the North West Department of Health in our commitment to community health. This vital addition to the local healthcare infrastructure will significantly enhance emergency medical services and improve access to medical care for residents in the region.

We also provided much-needed medical equipment to Neo and Disake Clinics. This support is crucial in ensuring that these facilities can deliver quality healthcare services to their communities, ultimately improving health outcomes and accessibility.

We handed over a traffic trailer to the Thabazimbi Local Municipality to bolster community safety. This resource will assist local law enforcement in maintaining order and enhancing safety measures within the municipality, contributing to a more secure environment for all residents. A summary of LED projects for the 2023-2024 reporting year can be found in Table 43 below.

Risk Topic: 17 - Non-compliance to mining charter and SLP commitments

Table 43. LED programme project performance

Employment Type	Gender	New Employees	Leaving Employees
Infrastructure	SLP2	Construction of a new administration block and new kitchen at Tlhaalapitse Primary School in Mokgalwaneng	Handed over to beneficiaries on 18/10/2023
Infrastructure	SLP2	Upgrade of Library and Lapa at Northam	Handed over to beneficiaries on 31/8/2023
Infrastructure	SLP2	Construction of new ablution facilities and kitchen at Mochudi Secondary School at Mokgalwaneng	Handed over to beneficiaries on 09/11/2023
Infrastructure	SLP2	Construction of new ablution facilities and upgrade of classroom blocks at Tshomankana Secondary School	Handed over to beneficiaries on 08/12/2023
Infrastructure	SLP3	Upgrade of Neo Clinic at Disake	Procurement of service provider stage
Infrastructure	SLP3	Upgrade of Mononono Clinic at Mononono	Procurement of service provider stage
Infrastructure	SLP3	Electricity Infrastructure Upgrades	Procurement of service provider stage
Education and Skills development	SLP3	Winter School for 220 Matriculants from Thabazimbi and Moses Kotane Local Municipalities.	Significant improvement in matric results for the academic year 2023.
Education and Skills development	SLP3	Provision of ICT equipment, internet connectivity and mobile classrooms to Platinum and Modimong Primary Schools	Access to quality learning and teaching.
Education and Skills development	SLP3	Supported grade 11 career awareness campaign held at Sun City for more than 4000 learners from Moses Kotane Local Municipality	Access to quality learning and teaching.
Infrastructure	SLP3	Bridge Construction at Dikweipi village	Scope of work complete
Infrastructure	SLP3	Upgrade of Magong Primary School	Scope of work complete
Infrastructure	SLP3	Upgrade of Manamakgotha Secondary School	Scope of work complete
Infrastructure	SLP3	Upgrade of Ofentse Primary School	Scope of work complete
Infrastructure	SLP3	Upgrade of Melotong Primary School	Scope of work complete

Future Plans

We have started the procurement process and intend to complete the projects listed below in the 2024/25 FY:



**Electricity
infrastructure
upgrades**



**Neo Clinic
upgrade**



**Mononono
Clinic upgrade**



Preservation of Our Natural Capital



Responsible mining is vital to preserving our planet's invaluable natural capital. It recognises that our Earth's resources are finite and irreplaceable, thus demanding a profound respect for environmental sustainability. By embracing responsible mining practices, SBPM aims to strike a harmonious balance between our need for essential minerals and the imperative to safeguard our natural ecosystems. Through innovative technologies, rigorous environmental impact assessments and proactive reclamation efforts, we endeavour to minimise the footprint of our operations, protect biodiversity and leave a lasting legacy of ecological stewardship. This commitment not only upholds our duty to future generations but also reinforces the interconnectedness of environmental preservation and the vitality of the mining industry itself.

SBPM's right to mine is dependent on environmental management principles as set out in section 2 of the National Environmental Management Act (NEMA), No.107 of 1998, and the Mineral and Petroleum Resources Development Act, 28 of 2004 (MPRDA). These pieces of legislation and applicable regulations are relevant to the mining and mineral beneficiation industry. In accordance with the NEMA, SBPM must adhere to the Environmental Management Plans and license conditions associated with the right to mine.

Performance against compliance directive plans

The Environmental Department's focus during the 2023-2024 FY was on environmental compliance audits and completing the mandatory annual legislative reporting requirements.

The following audits and statutory reports were finalised and submitted to authorities:

- Independent External Compliance Review for Water Use Licence
- Review of Annual Water Monitoring Report for Water Use Licence
- Independent Compliance Review for GN704 separation of clean and dirty water
- Update of the Integrated Water and Waste Management Plans (IWWMP) and RSIP
- Mandatory Greenhouse Gas and Carbon Tax Reporting (SAAELIP & SAGERS)
- Completed and submitted the 2023 Mine Closure Liability Assessment to the DMRE
- Finalised the Alien Invasive Plant Eradication programme with DFFE authorities

Environmental Material Indicator outputs and outcomes

During this reporting period, the SBPM Environmental Department focused on the implementation of the roll-out plan for the Integrated SHE Management System to meet the requirements of ISO 14001 & 4500. Key focus areas were addressed:

- System procedures were reviewed for alignment with ISO14001:2015 and 45001 Standard
- All legal appointments were reviewed starting from Sec.4(1).
- Rearrangement of share drive per ISO14001:2015 and 45001 Standard in progress
- Completed configuration on Online SHE Legal register with IMBEWU

Legal Compliance with Permit Conditions

EMPr Performance Assessment Review

Environmental Assurance (Pty) Ltd (ENVASS) was appointed by Siyanda Resources (Pty) Ltd (Siyanda Bakgatla) to conduct an annual Environmental Management Programme (EMPR) Performance Assessment Review (PAR) (Ref: NW/30/5/1/2/2/365 MR and NW/30/5/1/2/2/366 MR) for the mining operations. The main objective of the performance assessment was to review the compliance of the associated operations to the commitments of the approved EMPr. As per the audit reports, SBPM achieved 94.55% compliance, 4.09% partial compliance and 1.36% non-compliance findings.

Environmental Risks

During the reporting period, these were the main environmental risks impacting on the mine's natural and social environment:

- Hydrocarbon Contamination at 4 South Declines Footprint
- Groundwater Quality deterioration over time
- Dust from Tailings Facilities and Waste Rock Dumps
- Alien Invasive Plant Species

2023-2024 FY Environmental Infrastructure Plans

- Equipping Tailings Scavenger Boreholes around the tailings complex to recover water for re-use in processing
- Establishment of paddocks to assist in dam desilting activities

Energy Management

Energy is consumed throughout SBPM's mining and processing operations. A significant portion of our energy use footprint is from electricity purchased from Eskom, followed by direct energy use from on-site mobile and stationary combustion of liquid fossil fuel energy. We have no source of renewable energy (such as wind, hydro or solar) installed onsite. For this report, we have excluded reporting on explosive and fugitive emissions from underground mining activities and the energy use of downstream activities (Scope 3) connected to our operations.

Table 44. 2023-2024 year-on-year comparison of Natural Capital energy use and GHG emission indicator performance

KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Energy	GJ	Total energy consumption within the organisation (GJ)	1,725,949	1,653,702	1,869,657	1,961,261	1,886,114	-4%
Emissions	Tonnes CO2e (adjusted GEF to 1.01)	Total Direct GHG Emissions	453,749	445,049	485,883	522,464	503,670	-4%
Energy Efficiencies	GJ/Tonne Milled	Energy Efficiency	0.56	1	0.61	0.63	0.75	19%
	TCO2e per ounce of 4E produced	Carbon/product ratio	1.47	2	1.72	1.18	1.16	-1%
	GJ of Energy to produce 1 ounce of 4E PGM	Energy Efficiency	5.59	6	6.62	4.58	4.31	-6%

Energy Efficiency

There was a significant reduction in processing efficiency during the reporting period, with the average GJ/tonne of ore milled going from 0.63 to 0.75, which equates to a 19% increase in energy consumed per tonne milled. This decrease in milling energy efficiency is attributed to lower tonnes milled due to SBPM not meeting its mining production targets. The milling plant consumes nearly the same energy regardless of operating at 70% or 100% capacity. As a result, when fewer tonnes are processed, the energy consumption per tonne increases, leading to a decline in energy efficiency. Operating the plant under capacity reduces overall efficiency, as the energy input remains relatively constant while the output decreases.

Reductions in energy requirements of products and services

Our product sold is used for further processing across many industries. We do not have sight of the exact end-use of all our sold product. As our product is utilised internationally, SBPM anticipates that internationally CO₂e emissions associated with our end products will become a factor in the medium to long term. **From a product footprint perspective, it took 1.16 tonnes of Carbon Dioxide (TCO₂e) to produce 1 ounce of 4E PGM product, which equates to a marginal improvement in efficiency of 1%.**



Water Use

Interactions with water as a shared resource

Access to clean water is a basic human right, and water is a critical resource throughout our mining and processing operations. According to the World Wildlife Funds Water Risk Filter, SBPM is in a water-stressed area. SBPM has recognised that water supply is a major risk factor and has put in place mitigation initiatives to minimise the impact of this risk and increase it's resilience to water stress. Table 45 summarises our water withdrawn, reuse and recycling.

Risk Topic: 5 - Environment - Negative impacts on the soil, water, air and the community

Table 45. Year-on-year comparison of Natural Capital water use indicator performance

KPA	UoM	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Water supply, Disruption of water supply and flooding	Water Use	ML	Water use / withdrawal	3,500	3,587	3,679	4,289	3,957	-8%
		ML	Water reused	8,818	7,316	6,038	6,849	8,448.2	22.6%
		ML	Water recycled	393	501	455	319	690	116%

During the reporting year, our water requirements decreased with the lower production levels sustained over the period. Water withdrawals from municipal sources were reduced by 8%, reflecting this decline. Our ongoing efforts to enhance the use of reused and recycled water have been successful, with significant progress made. We secured effluent water for recycling from sewage treatment works, and the equipping of tailings scavenger boreholes further contributed to our water recycling initiatives. As a result, recycled water usage increased by an impressive 116% year-on-year.

To build further resilience in the water supply, the following plans will be investigated:

- Securing the 1.5 megalitre of water per day from Northam Sewage Treatment Works
- Investigating the possibility of erecting a 45-kilometre pipeline from Crocodile River to Northam Pipeline (R511 Brits Road Bridge abstraction point)
- Investigating the possibility of abstracting / dewatering shaft pit water to use as process water
- Maintaining the 0.83 megalitre per day scavenger boreholes

Water Compliance Audit

Siyanda Bakgatla Platinum Mine (SBPM) appointed Digby Wells Environmental (Digby Wells) to undertake an independent external audit to determine compliance against the conditions of the Water Use Licence (WUL) (Licence No.: 03/A24D/ABCGIJ/18929) (File No. 16/2/7/A240/C5) issued to the mine in terms of the National Water Act, 1998 (Act No. 36 of 1998) (NWA). SBPM achieved 68% compliance against 273 audited conditions of the WUL.

SBPM has been operating in line with the WUL issued 2018 (Licence No.: 03/A24D/ABCGIJ/18929) (File No. 16/2/7/A240/C5). The Licence authorises water use in terms of Section 21 (a), (b), (c), (g), (i), (j) and (k) of the NWA. The audit outcomes were realised after assessing Appendix I – VII of the water use licence, which includes all conditions for license compliance according to SBPM water uses as per the National Water Act 36 of 1998.

A summary of non-compliances includes the following items:

- Documentation and record keeping
- Monitoring, no access during rainy days
- Continual assessment of impacts and trends
- Dam construction works and upgrades required
- Inspections and maintenance for water management structures

After receiving the amended water use license Siyanda Bakgatla Platinum Mine (SBPM) appointed Letsolo Water and Environmental Services cc to undertake an independent external audit to determine compliance against the conditions of the Amended Water Use License (WUL) (License No.:03/A24D/ABCGIJ/18929) (File No. 16/2/7/A240/C5) issued to the mine in terms of the National Water Act, 1998 (Act No. 36 of 1998) (NWA) on the 24 August 2023. The audit was conducted on the 12th October 2023. The final audit report was received on 14 January 2024. The audit score was determined from a total of one hundred and sixty-two (162) total conditions listed in the license. No conditions were inapplicable to the operations at Siyanda Bakgatla Platinum Mine. About 67 conditions were noted by the licensee for the times when they become applicable, especially those about water uses that have not yet been implemented and those referring to closure and rehabilitation phases. It was concluded that the operations were 82% compliant to the IWUL License conditions and 18% non-compliant.

The External Water Use Licence audit's significant finding concerned the bad housekeeping at Decline 4S, which may detrimentally impact the mine's water resources.

GN704 Audit

Siyanda Bakgatla Platinum Mine (SBPM) appointed Digby Wells Environmental (Digby Wells) to undertake an independent external audit to determine compliance against the conditions of the Regulations on the Use of Water for Mining and Related Activities Aimed at the Protection of Water Resources (GN 704 of 4 June 1999) (GN 704) promulgated under the National Water Act, 1998 (Act No. 36 of 1998) (NWA). The GN 704 Regulations have been issued to regulate the use of water for mining and related activities to protect a water resource. This is done under the Department of Water and Sanitation's (DWS) mandate for the control, protection, use, management and conservation of water resources on a sustainable basis in South Africa. SBPM achieved 99% compliance against 167 audited conditions of the GN 704.

Management of water discharge-related impacts

For the South African mining and manufacturing sectors, extraction from surface and groundwater sources, as well as the discharge of wastewater, is regulated by legislation. The National Water Act 36 of 1998 (NWA), regulates the use of South Africa's water resources and authorises specific water uses as defined in the Act. SBPM's right to mine is subject to the granting and re-issuing the Water Use licenses (WULs). SBPM manages its allocated water resources according to the specifications of its WUL and conducts compliance audits on an annual basis; this includes the monitoring of both the quality and quantity of water use sources.

Water outflows or discharges

Our respective Water Use License does not permit any type of water discharge into freshwater sources. There were no incidents of accidental polluted water in the reporting period.



Our Emissions

Carbon Tax and Atmospheric Emission Reporting

The National Atmospheric Emission Reporting Regulations, 2015, all mines are classified as Group C emitters and must report annually via the National Atmospheric Emission Inventory System (NAEIS). Pollutants to be reported include wind-borne dust consisting of total suspended particulates (TSP) and particulate matter with an aerodynamic diameter of less than $10\mu\text{m}$ (PM10) and $2.5\mu\text{m}$ (PM2.5). Further to this, all data providers undertaking an activity must be listed in terms of Annexure 1 of the National Greenhouse Gas Emissions Reporting Regulations, 2016 and must report on their greenhouse gas (GHG) emissions following the Technical Guidelines. Activities that may apply to SPBM include rail transport, backup generators and other fixed combustion sources.

SBPM appointed Cabanga Environmental to conduct an Atmospheric Emissions Inventory and GHG Report for the operations period 01 January 2023 - 31 December 2023; the report informs submissions required regarding the Carbon Tax Act, Act 15 of 2019. The submission to comply with the Carbon Tax requirement and the calculations have been shared with the finance department. Our submitted carbon tax liability was assessed to be zero (0) and was filed with SARS via efilig by the 31 July 2023 as required.

Total GHG emissions

The energy use Tier 1 emissions were calculated using the methodology outlined in the Technical Guidelines for Monitoring, Reporting and Verification of Greenhouse Gas Emissions by Industry as published by the Department of Environmental Affairs (2017) as well as the IPCC Guidelines for National Greenhouse Gas Inventories (2006).

The direct energy consumption (GHG) emission footprint for the 2023-2024 FY was calculated at 503,670 Tonnes of CO₂e. This 4% decrease is due to lower consumption and lower production rates for the reporting period.

Air Quality Monitoring and Dust Fall-out

SBPM has implemented a monthly dust fallout monitoring programme to determine the impacts of its mining activities within its operating environment. The monitoring programme entails monthly passive sampling of gravimetric dust fallout, where dust buckets of a standard size and shape capture a representative portion of the dust generated on-site. ENVASS is the appointed service provider for sampling and fallout dust analysis according to legal requirements. Analysis of the sampling results will help to determine whether the site is compliant with the National Dust Control Regulations (GNR 827).

Twenty-one (21) monitoring stands are sampled monthly. Accordingly, the following observations were made in terms of the Gravimetric Dust Fallout during the reporting period at Siyanda Bakgatla Platinum Mine:

- Siyanda Bakgatla Platinum Mine was found to be compliant with the GNR 827 requirements as specified for the annual monitoring period and compliant for the monitoring period of March 2023 to May 2024
- Low dust fallout was noted on site and should be commended. The low dust fallout can be tied to tarred roads, dust suppression and low vehicular movement around dust monitoring vessels
- Dust suppression should be increased at the Mortimer Smelter locality as the results for the monitoring period exceeded the Industrial Limit of (1200 mg/m²/day) however, a decrease has been noticed
- ASTM-compliant dust stands were installed during the August and December 2022 monitoring periods

Reduction of GHG emissions

We recognised that reducing energy use would reduce the proportional amount of Greenhouse gas (GHG) emitted and our potential Carbon Tax liability. As PGMs are critical minerals that will drive the Green Economy, we recognise that the Carbon Footprint of our product, at 1.1 Tons of Carbon Dioxide equivalent (TCO_{2e}) per ounce of 4E PGM, if unmitigated, could be a risk to buyers in the carbon-sensitive future.

The final processing of our product is outsourced to Anglo American's Union and Waterval Smelters. The workforce at the Smelters monitors the complex's COX, PM₁₀, NOX, and SOX concentrations. Following their atmospheric emission licence, the AA Smelter must legally report on these variables. At this stage, SBPM is not legally required to have an atmospheric emission license.

Just Energy Transition and Decarbonisation Strategy

During the reporting period, SBPM focused on developing its Climate Change Response Strategy, laying the groundwork for future decarbonisation efforts. This strategy outlines the directives needed to address climate risks and opportunities, focusing on long-term sustainability and reducing the mine's carbon footprint. As part of this initiative, SBPM is currently formulating a Decarbonisation Strategy, which is set to be implemented in the next reporting cycle.

Progress on the Renewable Energy Independent Power Producer (IPP) project was limited during the year. The key challenge was the requirement of a 15-year off-take agreement to secure the project's viability. However, SBPM can only commit to a 9-year off-take period based on the remaining life of mine. The 15-year agreement is necessary for the IPP to recover capital and operational investment costs. Should future expansion projects extend the life of the mine, there will be greater potential for successful negotiations and completion of the Renewable Energy IPP deal.

While product carbon intensity is a growing focus area, it was not a key agenda item for the board during the year under review. SBPM is still in the early stages of its Climate Change Response Strategy and has yet to complete its Decarbonisation Strategy. As the project is still in its infancy, no formal comparison with industry peers has been made. Progress in this area is expected to accelerate once the Decarbonisation Strategy is finalised and implemented.

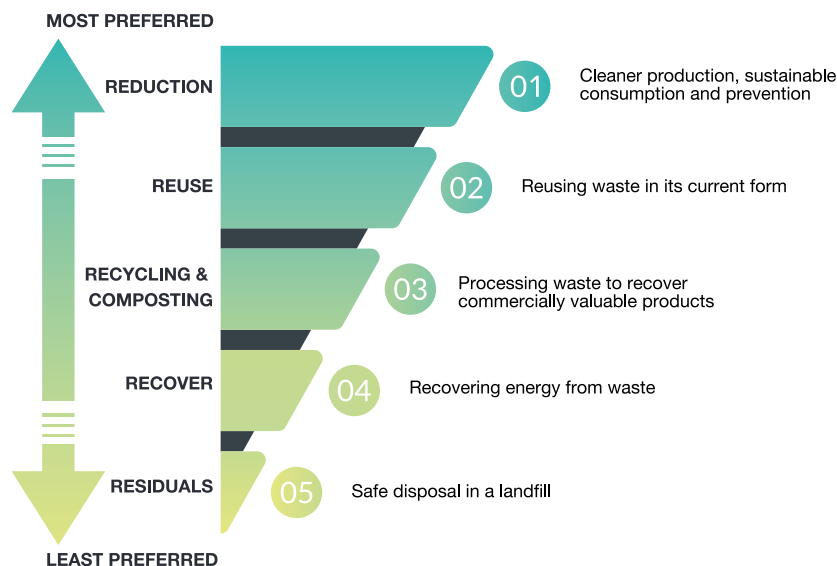


Effluents and Waste

SBPM's approach to waste management, as a responsible mining company, is not only to compliance with regulations surrounding waste management but also be an industry leader by adopting a new, waste management technologies. This approach can be seen in the multi-pronged initiatives implemented in the 2023-24 FY and the strides made toward minimising landfill and untreated waste.

Besides compliance management to the requirements of the National Environmental Management: Waste Act, 59 of 2008., SBPM has adopted the hierarchy of waste management as an operational standard. Therefore, waste minimisation, reuse and recycling principles are applied within the business. All our waste streams are identifiable, quantifiable and safely transported to registered waste handling and disposal facilities for recycling and disposal. Hazardous and Non-Hazardous waste, generated and accumulated on site, are safely handled, transported, classified and stored before disposal.

Integrated Waste Management Hierarchy

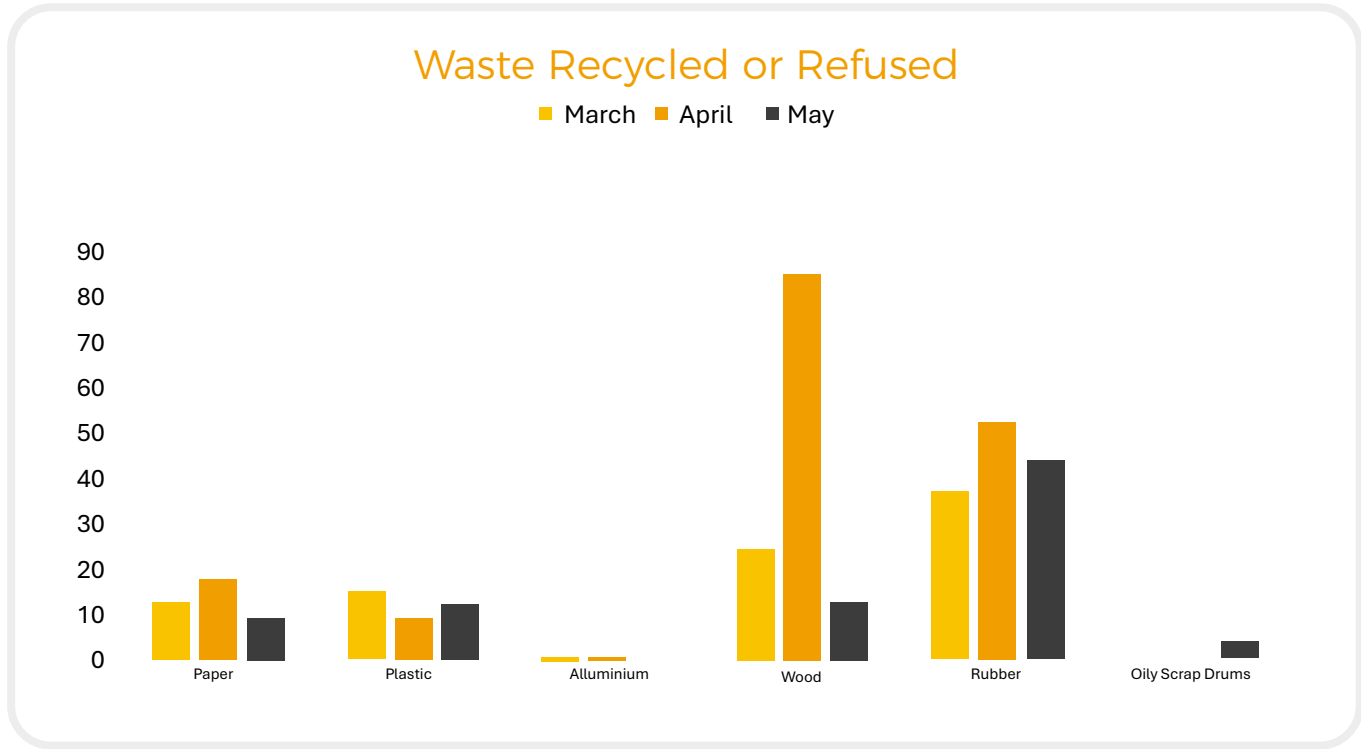
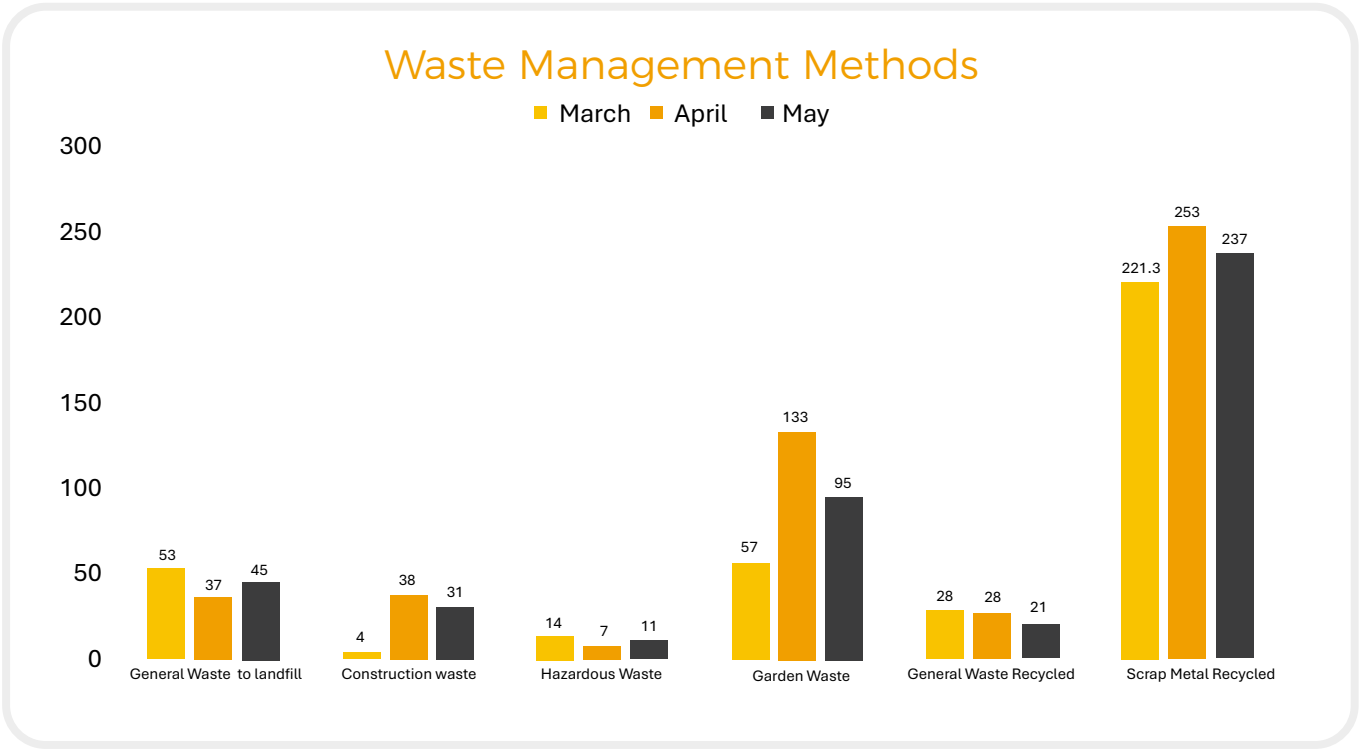


Waste Management

SBPM generates different types of waste streams monthly. The graph below indicates the amount of waste generated by the operation and how it was managed in compliance with the provisions of the National Environmental Management Waste Act 58 of 2009. Non-recyclable waste is disposed of at an authorised landfill site in Mogwase, while Hazardous waste is disposed of at Vlakfontein H:H hazardous Landfill Site, which is managed by Interwaste.

Garden waste is disposed of at our internal authorised Union Mine landfill site, while scrap metal is sold for recycling to registered metal dealers. SBPM has an extensive waste recycling facility where all domestic waste generated at the mine is sorted and separated into non-recyclable and recyclable categories. Recyclable waste is sorted according to commodity and baled for sale.

Figure 12 Waste Management Methods



Hazardous Waste

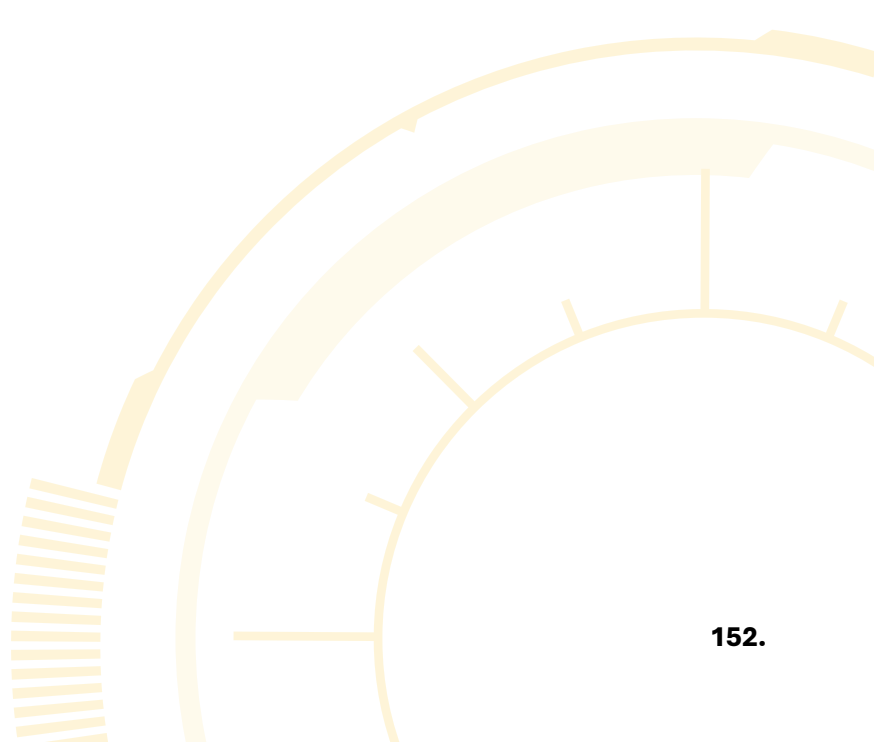
Hazardous waste disposal decreased by 49% compared to the previous reporting period. However, this reduction was not due to a decrease in hazardous waste generation but because of cost-cutting measures resulting in waste storage onsite. A total of 85 tonnes of hazardous waste was generated and disposed to landfill with 7 tonnes of Health Care Risk Waste (HCRW) from Platinum Health Hospital operating being incinerated and 23 tonnes of used oil being recycled, which is a total of 30 tonnes of waste was diverted from landfill this reporting period. Since October 2023, most hazardous waste contractors were terminated, and no hazardous waste was removed from the site during the remainder of the reporting period. Instead, waste generated between October and February was safely stored in compliance with the Norms and Standards for the Storage of Waste. This temporary storage strategy is expected to result in a significant spike in hazardous waste disposal during the next reporting cycle, once normal disposal activities resume.

Non-hazardous Waste

The total non-hazardous waste sent to landfill during the period was 1,202 tonnes, a 4% reduction from the previous reporting period.

Recycling and Reuse

There was an increase in the reuse and recycling of non-hazardous waste which can be attributed to several key measures and practices implemented during the reporting period. One of the primary drivers was the enhanced efficiency in recovering recyclable waste materials, which allowed for better sorting and collection of reusable resources. Additionally, the removal of scrap metals and the clearing of stockpiled timber contributed to these gains, resulting in a 25% rise in recycling activities.



Risk Topic: 5 - Environment - Negative impacts on the soil, water, air and the community
Table 46. Year-on-year comparison of Natural Capital waste indicator performance

Material risk engagement topic	KPA	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Strategic focus area: Sustainable Development /	Hazardous waste and disposal method	Tonnes	Landfill	187	91	330	199	85	-57%
			Incineration	7	7	9	9	7	-20%
			Reuse	0	0	0	0	0	n/a
			Recycle	0	0	0	21	23	10%
			Total Hazardous Waste	194	98	339	229	116	-49%
	Non-hazardous waste and disposal method	Tonnes	Landfill	289	400	1,016	1,253	1,202	-4%
			Incineration	0	0	0	0	0	n/a
			Reused	266	1,590	362	442	422	-5%
			Recycled	5,980	1,409	1,535	2,327	2,898	125%
			Total Non-hazardous Waste	6,536	3,399	2,913	4,022	4,523	112%

North-West DEDECT Landfill Verification Audit

During this reporting period, the North-West Department of Economic Development, Environment, Conservation and Tourism (Provincial Environmental Department) visited the operation to conduct a verification audit on SBPM landfill sites, which took place on the 22nd of February 2024. There were no adverse findings during the verification audit thanks to both the Environmental and Engineering Departments putting in the effort to ensure concurrent rehabilitation and access control are established at the landfill site. The authorities commended the rehabilitation of the open cast as an environmental best practice.

Recycling and Reuse

The authorities instituted no directive or legal penalties against the mine during the reporting period.

Water bodies affected by water discharges and runoff

Risk Topic: 5 - Environment - Negative impacts on the soil, water, air and the community

Table 47. 2023-24 Year-on-year comparison of Natural Capital environmental compliance performance

The authorities instituted no directive or legal penalties against the mine during the reporting period.

Material risk engagement topic	UoM	UoM	Material KPI	2019-2020 FY performance	2020-2021 FY performance	2021-2022 FY performance	2022-2023 FY performance	2023-2024 FY performance	% Change from the previous FY
Applicable Environmental Authorisations for projects	Water Use	ML	Water use / withdrawal	3,500	3,587	3,679	4,289	3,957	-8%
		ML	Water reused	8,818	7,316	6,038	6,849	0	-100%

Third-Party Complaints

SBPM received a letter of complaint from SRK, the independently appointed engineers for the tailing facility, as required by our WUL. SRK wanted SBPM to notify the Department of Water and Sanitation (DWS) about the dam maintenance activities taking place at the game farm dam, as they believed it constitutes an infringement of the water use license.

Environmental Authorisations

- DMRE Environmental Authorisation – Amended EMPr
- SBPM was issued with a DMRE Environmental authorisation for the mining of platinum group metals at Union Mine; this was an amendment application from RPM to SBPM
- Acacia Resources / RGN-CR (Pty) Ltd Appeal against SBPM Environmental Authorisation. RGN-CR (Pty) Ltd has appealed to the National Department of Environmental Affairs against issuing our Open Pit Project and amended environmental authorisation, stating that they own the rights to the minerals we are granted. The matter has been forwarded to our attorneys, and they are in the process of responding with an affidavit and all of the issues related to the authorisation

Environmental Inspections

Environmental inspection is carried out to check SBPM's level of compliance with environmental laws, regulations, and our authorisations. The environmental department ensures that areas where SBPM conducts work are covered to identify environmental substandard acts and conditions with the potential to pollute and put measures in place to control their environmental impact.

One concerning finding was Declines 4 South with regards to housekeeping and management of hydrocarbons. The section engineers are implementing remedial measures to prevent environmental pollution. The oil mixed with water at Erichsen dams will be collected on a regular basis to avoid overflowing the environment. Appointment of a contractor to collect and dispose of/recycle excess oily sludge mixed with water at the Erichsen dams. There is a contaminated production stockpile that requires sorting. As a result, the stockpile can be carried to declines one or two for bioremediation purposes.

Environmental Awareness

Environmental awareness is one of the most essential critical requirements of the ISO4001:2018 Environmental Management System (EMS), which the SBPM system has adopted in their day-to-day management of environmental impacts at their operations. This clause of the international EMS standard assists the organisation in communicating the environmental policy and other significant environmental aspects related to an organisation's potential environmental impacts associated with its operational activities. Furthermore, the awareness is conducted to comply with the authorities' ecological authorisations issued to SBPM.



Plans for the 2024-2025 FY to Improve the Environmental Department's Performance



To enhance the efficiency of our environmental management practices, we plan to implement the ISO 14001:2015 Environmental Management System. This internationally recognised framework will help us streamline our processes, improve compliance with environmental regulations, and continue to minimize our ecological footprint. Implementing ISO 14001:2015 will also support continuous improvement in our environmental performance.

From a human resourcing perspective, we aim to strengthen our environmental team by appointing three Graduate Environmental Trainees. These trainees will support ongoing environmental work and contribute to the department's operational capacity. Additionally, we plan to recommend the appointment of a dedicated Climate Change and ESG Reporting role. This new position will focus on addressing the increasing demands for climate change mitigation strategies and enhanced Environmental, Social and Governance (ESG) reporting, ensuring that we remain at the forefront of sustainability practices.

These initiatives will collectively contribute to a more efficient, capable and responsive environmental department, positioning us to meet both regulatory requirements and sustainability goals in the upcoming year.



Our Financial Statements



Table 48. SBPM 2023-2024 FY summary of financial statements

Statements of Financial Position as at 29 February 2024		
Figures in South African Rand '000	2024 R '000	2023 R '000
Assets		
Non-Current Assets		
Property, plant and equipment	2,867,301	2,471,284
Deferred Tax Assets	253,304	-
Environmental Rehabilitation Investment	433,088	407,059
	3,553,693	2,878,343
Current Assets		
Inventories	109,131	557,908
Trade and other receivables	1,457,162	2,741,560
Current tax assets	76,089	134,367
Cash and cash equivalents	207,946	1,519,877
Total current assets	1,850,328	4,953,712
Total Assets	5,404,021	7,832,055
Equity and Liabilities		
Equity		
Issued capital	1	1
Retained income	3,412,651	3,823,392
Total equity	3,412,652	3,823,393
Liabilities		
Non-Current Liabilities		
Environmental Rehabilitation Obligation	258,170	256,051
Deferred tax liabilities	-	-
Loans from shareholder	376,273	-
Borrowings	66,842	109,755
Loan from group company	50,000	-
Deferred Consideration Liability	-	1,756,363
Total non-current liabilities	751,285	751,285

Statements of Financial Position as at 29 February 2024		
Figures in South African Rand '000	2024 R '000	2023 R '000
Current Liabilities		
Trade and other payables	793,202	1,029,945
Royalty tax payable	93,614	135,627
Borrowings	38,400	38,400
Dividends withholding tax payable	-	27,740
Working Capital Facility	314,868	-
Deferred Consideration Liability	-	378,337
Total current liabilities	1,240,084	1,610,049
Total Liabilities	1,991,369	4,008,662
Total equity and liabilities	5,404,021	7,832,055

Table 49. SMPM 2023-2024 FY Balance Sheet

Statements of Financial Position as at 29 February 2024		
Figures in South African Rand '000	2024 R '000	2023 R '000
Revenue	4,826,867	8,644,641
Cost of sales	(7,415,317)	(7,033,353)
Gross profit / (loss)	(2,588,450)	1,611,288
Other income	28,690	23,400
Fair value adjustment on deferred consideration	1,749,217	484,039
Operating expenses	(9,291)	(46,758)
Royalty expense - Mineral Resources	14,492	(309,545)
(Loss) / profit from operating activities	(805,342)	1,762,424
Finance income	60,597	98,896
Finance costs	(57,467)	(54,280)
(Loss) / profit before tax	(802,212)	1,807,040
Income tax	471,471	(372,948)
Loss) / profit for the year	(330,741)	1,434,092

Table 50. SBPM 2023-2024 FY Total comprehensions of income and / or loss for the year

Balance at 1 March 2022	3,089,300	3,089,301
Changes in equity		
Total comprehensive income for the year	1,434,092	1,434,092
Dividend recognised as distributions to shareholders	(700,000)	(700,000)
Balance at 28 February 2023	3,823,392	3,823,393
Balance at 1 March 2023	3,823,392	3,823,393
Changes in equity		
Total comprehensive loss for the year	(330,741)	(330,741)
Dividend recognised as distributions to shareholders	(80,000)	(80,000)
Balance at 29 February 2024	3,412,651	3,412,652

Statements of Cash Flows		
Figures in South African Rand '000	2024 R '000	2023 R '000
Net cash flows (used in)/ from operations	(709,703)	1,768,529
Interest paid	(29,788)	(25,374)
Interest received	60,597	98,896
Income taxes paid		(239,012)
Net cash flows (used in)/ from operating activities	(678,893)	1,603,039
Cash flows used in investing activities		
Repayment of borrowings	(42,909)	{33,504}
Loan from group companies	50,000	
Deferred consideration paid	(428,314)	(742,513)
Loan from Shareholder	376,273	
Dividend paid	{107,740}	{672,260}
Cash flows used in financing activities	(152,691)	(1,448,277)
Net decrease in cash and cash equivalents	(1,311,931)	(483,902)
Cash and cash equivalents at the beginning of the year	1,519,877	2,003,779
Cash and cash equivalents at the end of the year	207,946	1,519,877

Statements of Financial Position as at 29 February 2024

Figures in South African Rand '000	2024 R '000	2023 R '000
Current liabilities		
Trade and other payables	793,202	1,029,945
Royalty tax payable	93,614	135,627
Borrowings	38,400	38,400
Dividends withholding tax payable		27,740
Working Capital Facility	314,868	
Deferred Consideration Liability		378,337
Total current liabilities	1,240,084	1,610,049
Total liabilities	1,991,369	4,008,662
Total equity and liabilities	5,404,021	7,832,055
Revenue	4,826,867	8,644,641
Cost of sales	(7,415,317)	(7,033,353)
Gross (loss)/ profit	(2,588,450)	1,611,288
Other income	28,690	23,400
Fair value gain on deferred consideration liability	1,749,217	484,039
Operating expenses	(9,291)	(46,758)
Royalty expense - Mineral Resources	14,492	(309,545)
(Loss) / profit from operating activities	(805,342)	1,762,424
Finance income	60,597	98,896
Finance costs	(57,467)	(54,280)
(Loss) / profit before tax	(802,212)	1,807,040
Income tax	471,471	(372,948)
(Loss) / profit for the year	(330,741)	1,434,092

Statements of Financial Position as at 29 February 2024		
Figures in South African Rand '000	2024 R '000	2023 R '000
Balance at 1 March 2022	3,089,300	3,089,301
Changes in equity		
Total comprehensive income for the year	1,434,092	1,434,092
Dividend recognised as distributions to shareholders	(700,000)	(700,000)
Balance at 28 February 2023	3,823,392	3,823,393
Balance at 1 March 2023	3,823,392	3,823,393
Changes in equity		
Total comprehensive loss for the year	(330,741)	(330,741)
Dividend recognised as distributions to shareholders	(80,000)	(80,000)
Balance at 29 February 2024	3,412,651	3,412,652

Statements of Cash Flows		
Figures in South African Rand '000	2024 R '000	2023 R '000
Net cash flows (used in)/ from operations	(709,703)	1,768,529
Interest paid	(29,788)	(25,374)
Interest received	60,597	98,896
Income taxes paid		(239,012)
Net cash flows (used in)/ from operating activities	(678,893)	1,603,039
Cash flows used in investing activities		
Purchase of property, plant and equipment	(523,178)	(712,916)
Repayment of loans from group companies	42,831	74,251
Cash flows used in investing activities	(480,347)	(638,665)
Cash flows used in financing activities		
Repayment of borrowings	(42,909)	{33,504}
Loan from group companies	50,000	
Deferred consideration paid	(428,314)	(742,513)
Loan from Shareholder	376,273	
Dividend paid	{107,740}	(672,260)
Cash flows used in financing activities	(152,691)	(1,448,277)
Net decrease in cash and cash equivalents	(1,311,931)	(483,902)
Cash and cash equivalents at the beginning of the year	1,519,877	2,003,779
Cash and cash equivalents at the end of the year	207,946	1,519,877

Appendix





Siyanda Bakgatla Platinum Mine
Registered within the Republic of South Africa
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