SYLVANIA
PLATINUM LIMITED

Environmental, Social and Governance Report **2023**

SUPPORTING OUR STRATEGY

Contents

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www.sylvaniaplatinum.com

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Our ESG approach

After releasing its inaugural environmental, social and governance (ESG) report in September 2022, this document delves into Sylvania Platinum Limited's (referred to as Sylvania or the Company) efforts to fulfil our ESG responsibilities during the 12-month period concluding on 30 June 2023.

Complementing our annual report for the financial year ended 30 June 2023, this ESG report provides a comprehensive view of our impact on the environment, the communities we engage with and our contribution to the South African economy. It spotlights the critical issues that have the potential to influence our Company's outlook and our capacity to generate value. Furthermore, it elucidates our strategies for managing these concerns to benefit our shareholders, customers, communities and workforce.

Our approach to ESG reporting continues to align with global frameworks and industry best practices, encompassing:

- Global Reporting Initiative – this framework sets the gold standard for sustainability reporting, guiding us in reporting our sustainability practices transparently.
- United Nations Sustainable Development Goals (UNSDGs) – with 17 goals aimed at addressing global challenges, we align our efforts with these objectives to contribute to the international community's wellbeing.
- Task Force on Climate-Related Financial Disclosures (TCFD) – our reporting conforms to TCFD standards, enhancing the disclosure of climate-related financial information, thereby improving transparency.
- Sustainability Accounting Standards Board (SASB) – SASB standards assist us in identifying the ESG issues most pertinent to our performance within various industry contexts.

Overview

Financial highlights

NET REVENUE
$130.2m
-14%
(FY2022: $151.9m)

GROUP EBITDA
$66.0m
-20%
(FY2022: $82.8m)

BASIC EPS
17.01c
-18%
(FY2022: 20.62c)

CASH BALANCE
$124.1m
+2%
(FY2022: $121.3m)

ANNUAL DIVIDEND
8p dividend
3p interim plus 5p final dividend for FY2023
Annual dividend maintained despite weaker PGM basket price
(FY2022: 8p)

Operational highlights

GROUP CASH COST/PER 4E PGM
$771/oz
-14%
(FY2022: $897/oz)

PGM 4E BASKET PRICE
$2,086/oz
-28%
(FY2022: 2,890/oz)

4E PGM PRODUCTION
75,469oz
95,965oz 6E
+13%
(FY2022: 67,035oz 4E; 85,659oz 6E)

ESG highlights

Environment

- Greenhouse gas (GHG) emissions (tCO_2e) (excluding Scope 3) – slight increase as a result of two new MF2 plants.
- Revegetation trial on tailings storage facility (TSF) ongoing: observations of grass seed germination, plant growth and improvements in physical and chemical characteristics of tailings.
- Automated, live water balance system developed, with flow meters installed to increase the accuracy of water flow and use at operations.

Social

- 11-years' LTI-free at the Doornbosch operation.
- Learnerships and bursaries awarded.
- 85% unionised employees.
- 103 new employees: 68 from host communities, and 30% women.
- 23% female staff complement.
- Support of the Gatsheni Lifeway Hope non-profit organisation in the fight against gender-based violence (GBV).

Governance

- Sylvania complies with the QCA Corporate Governance Code.
- R2.2 billion total economic contribution.
- Safety, health and environment (SHE) and ESG framework policies embed ESG in business.
- Internal ESG dashboard being developed to monitor and display ESG performance.
- Growing and sustainable business.
- Clear and transparent reporting.

The year in review

Sylvania has demonstrated a strong commitment to responsible business practices across various aspects of its operations.

These efforts have not only ensured the successful continuation of operations in the complex energy landscape of South Africa but have also contributed to the wellbeing of its employees and the surrounding communities.

Positive energy management

The Company's proactive approach in addressing energy challenges has enabled the maintenance of high production rates and a robust workforce during FY2023.

The acquisition of diesel generators has played a crucial role in ensuring operational continuity and contributing to South Africa's domestic economy.

While this approach may increase the carbon footprint, it underscores the importance of short-term energy alternatives in supporting the nation's capacity to combat climate change in the long run.

Water stewardship excellence

Sylvania recognises the value of water as a precious resource and has implemented effective water management strategies, even overcoming shortages at certain sites. Additional flow meters and collaborative efforts with host mines have enhanced water monitoring and sustainable usage, including water recovery and recirculation.

The TSF revegetation trial harnessed the potential of process water, showcasing its ability to support plant growth effectively. Through this treatment, a harmonious balance of nutrient composition and pH levels was achieved, contributing to the creation of an ideal environment for healthy plant development.

The successful utilisation of this organic amendment in conjunction with process water resulted in robust and vigorous plant growth, marking a notable achievement in the project.

Responsible tailings management

The Company's initiatives in cleaning up older tailings facilities and constructing new, lower risk modern dams in compliance with higher environmental standards demonstrates our commitment to minimising the environmental footprint of the host mines.

Diversity and empowerment

Sylvania has made significant progress in increasing female representation within the organisation, particularly in junior management and core skills positions, with a focus on internships and learnerships.

The workforce includes historically disadvantaged persons (HDPs) and the Company actively engages in employment equity discussions through an employee equity forum.

Employee health and safety

The Company places a high priority on the safety, health and wellbeing of its employees, displaying a commendable track record with zero fatalities and low injury numbers.

Safety campaigns and awareness programmes continue to be intensified to further reduce incidents.

Training and development

Sylvania not only provides training to its employees but also extends programmes to local communities, resulting in job placements for many participants.

This demonstrates the Company's commitment to creating opportunities beyond its workforce.

Community engagement

The Company actively engages with local communities, providing employment opportunities and contributing to corporate social investment (CSI) projects, thereby strengthening its relationship with stakeholders.

GBV

Sylvania maintains a zero-tolerance approach to GBV and supports organisations working to combat GBV in its host communities.

ESG integration

ESG considerations are embedded into the Company's decision-making processes, with various training campaigns and an internal ESG dashboard in development to monitor and display ESG performance.

Sustained resources and growth

The recent joint venture agreement with Limberg Mining Company (Pty) Ltd (LMC) represents a strategic move towards sustainable growth, with a focus on environmental responsibility and renewable energy options.

Stakeholder engagement

Sylvania values transparent reporting and engages with stakeholders through various channels, including investor roadshows, regulatory releases, various community forums and its website.

Economic contribution

Sylvania plays a vital role in addressing unemployment issues in South Africa by providing employment opportunities, internships and learnerships, particularly in the communities surrounding the operations. The Company's contributions extend to taxes and local procurement, further benefiting the South African economy.

The Company's commitment to responsible business practices, safety, sustainability and community engagement underscores its dedication to making a positive impact not only on its operations but also on the broader South African society and environment. These efforts are aligned with its vision for a more sustainable and inclusive future.

Our ESG journey

Activate, transition, embed

Sylvania embarked on its ESG journey by initiating the creation of its inaugural ESG report. This journey entailed identifying and mobilising the catalysts behind its ESG impact. It *activated* the collection of foundational data on potential significant risks to guarantee that forthcoming objectives were grounded in credible information and well-founded assumptions.

As we advanced on this path, the *transition* phase unfolded, characterised by the formulation of a robust ESG strategy and a comprehensive reporting framework.

Ultimately, ESG has become an integral part of Sylvania's overall business strategy. It is now *embedded* in every facet of our operations, and we have integrated ESG considerations into Sylvania's strategic risk register. This strategic move ensures that mitigation strategies pertaining to risks or opportunities tied to ESG factors receive top priority.

Sylvania's ESG journey

Phase	1 Activate	2 Transition	3 Embed
Purpose	Identify potential value and activate	Prioritise and tailor action	ESG business integration
Tasks	> ESG policy > ESG training and awareness > Materiality assessment > ESG strategic risk incorporation > ESG stocktake > Identify and prioritise the operational key value drivers > Establish ESG team	> Determine ESG baseline for value drivers > ESG strategy and planning for ESG drivers > ESG reporting – Compile ESG reporting toolkit – Compile ESG reporting framework – Annual ESG report	> Implementation of ESG monitoring systems > Setting relevant ESG targets > Develop high-level business cases – carbon footprint, energy, community investment and water management > Continuous improvement > Adopt best practices > ESG assurance

ESG and Sustainability Journey

Data collection and assurance

This marks our second ESG report, drawing upon data gathered at specified intervals from various internal procedures throughout FY2023. It extends upon the initial disclosure presented in our 2022 annual report, benefiting from enhanced data accessibility that has allowed us to broaden our ESG reporting scope.

The ESG aspects of this report undergo internal validation and, where mandated by regulatory obligations, independent verification through established processes.

ESG oversight

As mandated by the Board, Sylvania's Executive Committee acknowledges its responsibility for ensuring the integrity of the ESG report and has applied diligence in the collection of data and defining assumptions, as well as the preparation and presentation of this report. The oversight of the ESG strategy by the Board of Directors is crucial in ensuring that the Company operates in a sustainable and responsible manner.

The Board of Directors provides oversight through dedicated committees, strategy development and risk assessment, stakeholder engagement and compliance monitoring. Senior management keep the Board updated through regular reporting, ad hoc communication, alignment with corporate goals and ensuring that ESG considerations are integrated into the Company's decision-making processes.

The Sylvania 2023 ESG report is aligned with global trends for sustainability reporting and addresses all material matters linked to the Company's core business. It offers a balanced view of how the Company addresses impacts on society, the environment and the economy in the short, medium and long term.

Who we are

A leading producer of PGMs from chrome tailings

Sylvania is a mid-tier company specialising in the reprocessing and development of platinum group metals (PGM), comprising mainly platinum, palladium, rhodium and gold, from chrome tailings, with a keen focus on cost efficiency. The operational arm, known as Sylvania dump operations (SDO), manages six chrome beneficiation and PGM processing facilities strategically located across both the Eastern and Western Limbs of the Bushveld Igneous Complex (BIC).

Pioneering the field of chrome tailings reprocessing, Sylvania processes a combination of current and historical chrome tailings, alongside run-of-mine materials and current production from our host-mine sites. Our annual production capacity ranges from approximately 67,000 to 75,000 4E PGM ounces, contingent on capacity and the supply from our host mines. The joint venture (JV) entered into with LMC post-year-end will add an additional 6,500 attributable PGM ounces and 200,000 tons of chromite concentrate per year to the Company's existing annual production profile. The JV agreement is currently in place for 10 years, however, the parties may negotiate to further extend this. It will be the first PGM beneficiation facility of primary chrome ore and tailings on the northern part of the Western Limb of the BIC and will be an enabler for further growth opportunities in the region for the Company.

Sylvania's business model inherently contributes to environmental wellbeing, as it revolves around the reprocessing of materials that would otherwise become mining industry waste. We hold the distinction of being the pioneering company that established a commercial chrome tailings reprocessing facility, designed to extract valuable PGMs and chrome from historical tailings. Our inaugural operation, Millsell, commenced operations in 2007. From a technological perspective, it posed relatively low operational risks and employed chemicals that were significantly less hazardous compared to those used in gold reprocessing, which, for example, often involves cyanide. Over the course of 16 years, we have successfully replicated and expanded this process, currently managing six operational plants.

At a recent strategy workshop, the Board amended the Group mission statement to extend beyond only PGMs and chrome. Various enquiries and studies are being undertaken to potentially diversify into other jurisdictions and other metals that involve similar processes. Green and critical metals are being prioritised.

Our values

The Company places high importance on ensuring safe and healthy work environments, while actively striving to reduce any adverse environmental impact. Our commitment to these principles aligns with our core values, which include fostering and enhancing the wellbeing of the communities in which we operate. We are dedicated to fostering a socially inclusive economy that benefits all stakeholders.

These values permeate every facet of our business operations, with our ESG principles fully integrated and ingrained at every level of the organisation.

Cleaning up the industry

In addition to producing historically uneconomical chrome and PGM minerals, our operations also play a crucial role in cleaning up smaller, older tailings facilities, many of which were originally constructed to lower environmental standards. We responsibly redeposit these tailings in a more efficient and environmentally friendly manner.

The more recent tailings facilities, established over the past decade, conform to stringent regulatory standards, significantly reducing the risk of environmental contamination compared to the older historical dams. Furthermore, they consolidate numerous smaller facilities, often associated with larger environmental footprints, into more modern, larger facilities that have a reduced environmental impact.

Sylvania's retreatment processes yield chromite concentrate, which is returned to the host mine at a nominal cost, while PGMs are recovered and sold to smelters. This operational model not only generates cash but also ensures cost-effective operations.

The PGM metals we produce hold significant environmental importance, serving a dual role. They are critical components for reducing emissions in the alternative renewable energy sector and are indispensable in autocatalytic converters, which play a pivotal role in reducing contaminants in automotive emissions.

Our primary milling and flotation operations continue to maintain steady performance, with Project Echo, the secondary milling and flotation (MF2) modules, enhancing recovery efficiencies across all our operations. We hold exclusive rights to reprocess current mine arisings and tailings dumps at our host mines, with an anticipated profitable operational lifespan of approximately 10 years, subject to specific operational conditions. The potential for extension exists as mining resources transition into reserves.

Vision, mission and values

Vision

Being the best mid-tier platinum and associated metals producer in the world.

Mission

To grow our low-cost and efficient business by leveraging our existing asset base and continuing innovation through existing and future strategic partnerships, while proactively considering commodity and geographic diversification. Creating value for stakeholders by being an innovative, agile and sustainable operator of choice.

Values

We value the safety and health of all

Employees are at the heart of our Company and we place their safety and health above all else in everything we do.

We value the fundamental rights of people

We treat all people with dignity and respect.

We value honesty and integrity

We act honestly and show integrity by continuously striving towards "doing what we say we are going to do" and showing commitment towards our accountabilities of delivering high-performance outcomes, thus projecting an image of professionalism and meeting the expectations of our colleagues, investors, business partners and social partners.

We respect the environment

We act in a manner that is sustainable and environmentally responsible, applying professional and innovative methods.

We value the culture, traditional rights and society in which we operate

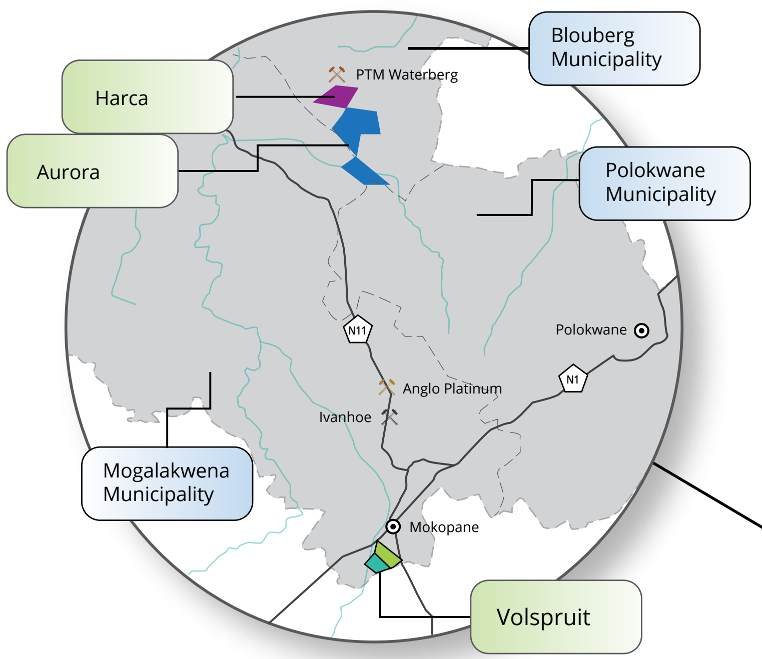
Our actions will support the communities in which we work while honouring their heritage and traditions.

Where we are

Location

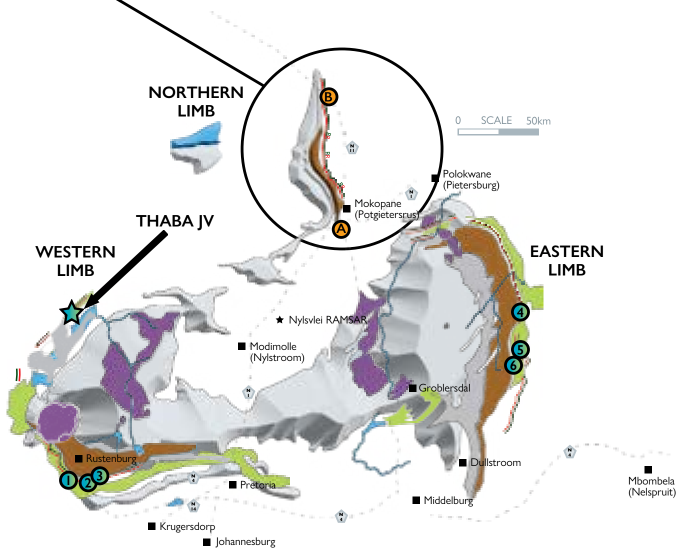
Locality within South Africa

Exploration



Exploration assets

Volspruit
Volspruit, located at the south of the Northern Limb of the Bushveld Complex, is a shallow PGE-Ni-Cu deposit likely to be developed as an open-cast operation. Optimisation studies are underway on the project.

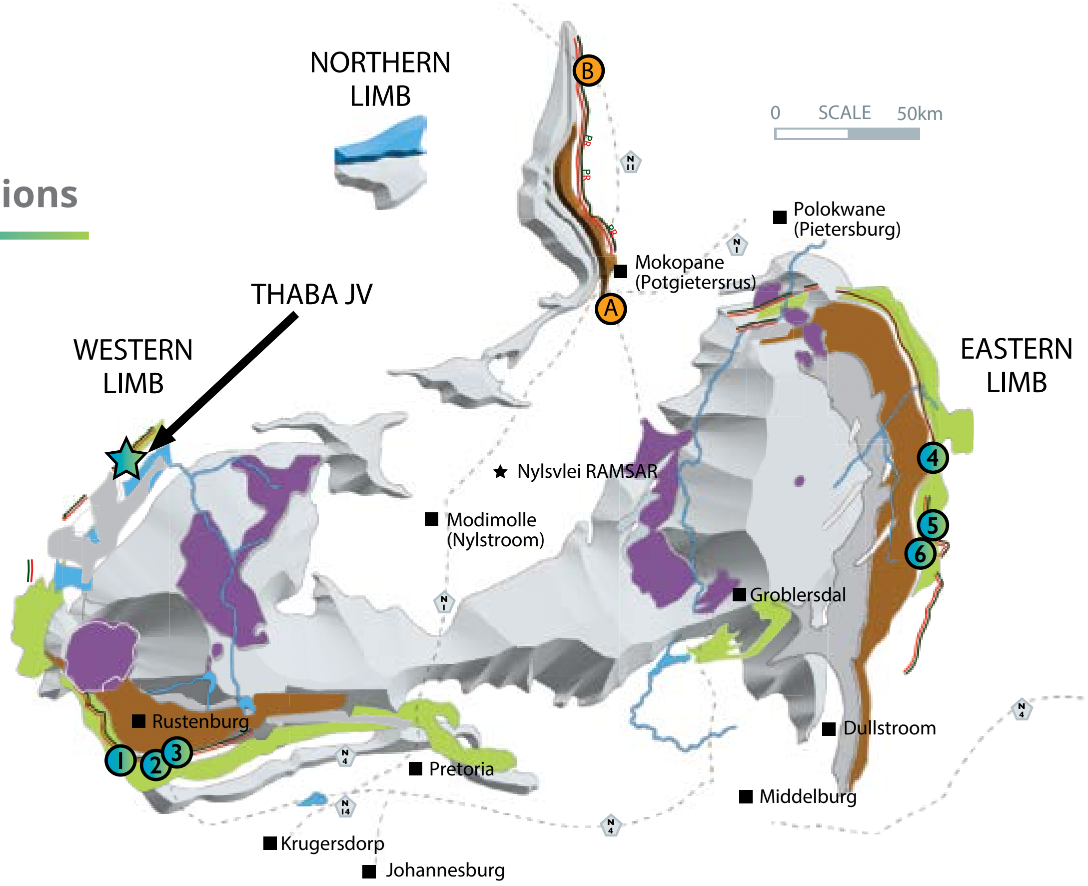


Exploration assets

Far Northern Limb
The Far Northern Limb projects include two contiguous PGE-Ni-Cu projects, Aurora and Hacra, on the extreme north of the Northern Limb of the BCI.

Reinterpretation of historical work has identified the presence of T-Zone reefs across the projects resulting in a Mineral Resource being declared on a small portion of Aurora. Work continues to improve the confidence on the continuity of these reefs.

Operations



RUSTENBURG LAYERED SUITE

- Granites and allied rocks
- Upper zone
- Main zone
- Critical, lower and marginal zones
- Merensky reef
- UG2 chromitite layer
- PR Platreef
- Main roads
- Main river
- SLP Sylvania
- SDO Sylvania dump operations
- Younger cover rocks
- Younger alkaline intrusions and carbonatites

LEGEND

Operating Sylvania complexes

1. Millsell (SDO)
2. Mooinooi – Dump and ROM (SDO)
3. Lesedi (SDO)
   Acquired: Nov '17
   Previously Phoenix Platinum
4. Doornbosch (SDO)
5. Lannex (SDO)
6. Tweefontein (SDO)

Thaba JV

Mineral projects

A Volspruit

B Northern Limb projects

Sylvania dump operations (SDOs)

Attractive cash-generative, low-cost operations on the Eastern and Western Limbs of the BCI, South Africa.

The SDOs comprise six chrome beneficiation and PGM processing plants, treating a combination of run of mine (ROM) and current and historical chrome tailings at host-mine sites.

SDOs: Millsell, Mooinooi, Lesedi, Doornbosch, Lannex and Tweefontein.

Thaba joint venture (JV)

Transformational Thaba JV will comprise chrome beneficiation and PGM processing plants, treating a combination of ROM and historical chrome tailings from JV partner, adding a full margin chromite concentrate revenue stream to diversify the Group's income and reliance on a single host-mine company.

A message from our CEO

I am proud to present to you our second annual ESG report, *Supporting Our Strategy*.

As we reflect on the progress we have made towards embedding ESG throughout our operations, it is important to acknowledge the challenges we face as a mining company in South Africa.

The acquisition of diesel generator support highlights the issues we face in balancing operational continuity with the pressure to reduce fossil fuel-based energy use. While this may contribute to an increase in our overall carbon footprint, it is crucial for our continued operations and contribution to South Africa's domestic economy. Economic upliftment is a key consideration in our social development and in building resilience to climate change.

Considering these challenges, we have set short-term goals for sourcing energy to be implemented by 2025. We are actively investigating alternative options such as synthetic fuel/biodiesel for generators. We are continuously reviewing the energy efficiency of our current equipment and infrastructure, including the potential for converting to hybrid mining vehicles. Furthermore, we follow a hierarchy of reduce – reuse – recycle – energy recovery – landfill for waste management, keeping in mind the minor contribution of non-mineral waste to GHG emissions.

The safety, health and wellbeing of our employees is central to Sylvania's values, which is evidenced by the fact that we have been fatality-free since our inception. The Doornbosch plant has recently recorded a remarkable 11 years without a lost-time injury (LTI), which is a phenomenal achievement by industry and global standards.

Furthermore, we launched our *Make It Personal* campaign to improve and maintain personal safety on site. We believe that by making safety a personal matter that everyone has responsibility for, it will become second nature and help ensure all workers make it home safely every day in order to achieve the mining sector's goal of zero harm to all.

We are also committed to minimising land clearance for operational demands, prioritising rehabilitation when it is unavoidable and ensuring future financial provisioning for rehabilitation efforts. Water management is integrated within the host mines' circuits, with water entering our circuits through current arisings and leaving either through the production process or as tailings. We continuously work on reworking mineral waste dumps and redepositing or recycling tailings, which not only reduces the volume of waste but also minimises the potential for pollution.

In the social sphere, we are dedicated to increasing the representation of women within our business. In the past financial year, we welcomed 103 new employees, with 68 coming from hosting communities and 38 of them women, representing 30% of the total. Female empowerment is an important focus area for us, and we will continue to work towards greater gender diversity and inclusion.

We remain committed to running our business with integrity and responsibility to the environment, community and all our stakeholders. Our short-term goals and ongoing initiatives demonstrate our dedication to sustainability and responsible practices. By transparently reporting our ESG progress, we hold ourselves accountable for our commitment to a sustainable future.

Jaco Prinsloo
CEO

We remain committed to running our business with integrity and responsibility to the environment, community and all our stakeholders.

Jaco Prinsloo
Chief Executive Officer (CEO)

Our commitment to ESG

The mining sector is facing increasing scrutiny due to its potential operational risks and its impact on the environment, as well as its influence on employees and communities.

We regard our responsibilities toward the planet and its inhabitants with the same gravity as our obligations to our valued customers and shareholders. We firmly believe that a sustainable business is one that fosters a diverse and inclusive workforce where employees can thrive. It is also one that conducts its operations responsibly, minimising its environmental footprint while contributing positively to the wellbeing of the communities in which it operates.

Our approach harmonises with the 10 principles for sustainable development outlined by the International Council on Mining and Metals (ICMM). These principles integrate with the 17 UNSDGs forming the cornerstone of our commitment to sustainable practices and responsible corporate citizenship.

Making a positive contribution

How mining companies can contribute to the Sustainable Development Goals

ICMM 10 Principles

1. Ethical business and sound governance
2. Sustainable development in decision-making
3. Respect for human rights
4. Effective risk management
5. Health and safety performance
6. Environmental performance
7. Conservation of biodiversity and land-use planning
8. Responsible use and supply of materials
9. Social contribution
10. Engagement and transparent reporting

Established in May 2003, the principles respond to the key challenges identified by the Mining, Minerals and Sustainable Development Project's agenda for change. We expect all member companies to implement the principles in full and to transparently report on performance.

02

Environment

Environment

E1: Tailings management and rehabilitation

Sylvania value
The way we do business

Environment

ICMM reference
Guiding principles

4 Risk management
6 Environmental performance
7 Conservation of biodiversity
8 Responsible production

UN SDG reference
The ESG goals

12 Responsible consumption and production
15 Life on land

Production and TSF

	Indicator	Unit	FY2022	FY2023	Trend
E	Tons treated (total feed SDO)	tons	2,393,355	**2,615,994**	↑
G	Failing storage facility compliance/high potential incident relating to the TSF	Number of material risks	1	**–**	↓

The ongoing reworking of mineral waste dumps, with the subsequent redepositing or recycling of tailings onto the same or improved TSF, yields significant environmental benefits. This practice not only reduces the volume of mineral waste but also minimises the potential for pollution arising from seepage or tailings spillages.

The SDO holds responsibility for the rehabilitation of areas affected by our business activities, conducted under the host mines' mining rights. Our current TSFs are meticulously designed to operate with an acceptable level of risk, fully compliant with the Department of Mineral Resources and Energy (DMRE) Mandatory Code of Practice for Mine Residue Deposits (DME 16/3/2/5-A1).

The TSF design encompasses the following features:

> Subsurface drainage systems.
> Installation of standpipe piezometers for the continuous determination, monitoring, and recording of the interstitial water table.
> Structural stability ensured through heel walls and the cycle underflow wedge.

Given the nature of Sylvania's operations and activities, the overall impact is inherently positive. The total feed, measured in tons treated, has seen a gradual increase compared to FY2022. Compliance with the Global Industry Standard on Tailings Management (GISTM), in terms of the operations, condition and management for the Tweefontein, Lannex, Millsell, Lesedi, Mooinooi and Doornbosch operations, was assessed in separate annual reports. The results of the assessments indicated positive findings.

The standard has no less than 77 requirements, integrating social, environmental and local economic and technical considerations aimed at achieving the goal of zero harm to people and the environment. The standard was developed after the tragic failure of a tailings facility at Brumadinho, Brazil, in 2019. It was developed through an independent process convened by the ICMM and environmental organisations, the United Nations Environment Programme and Principles for Responsible Investment.

Key

Not relevant to ESG performance, or insufficient data to assess	/	Positive increase (improvement)	↑
Positive decrease (improvement)	↓	Negative increase (worsening)	↑
Negative decrease (worsening)	↓	Environment	E
Consistent/no change	→	Social	S
		Governance	G

Sylvania will continue to measure its compliance against the GISTM international standard, even though the Company is not required to comply with the GISTM. Management has proactively engaged with consultants to perform a gap analysis with regards to the Company's tailings dams. Management regularly consults with the local communities and an open communication channel is kept through various platforms, including community liaison officers. Sylvania believes that this standard represents a significant positive step towards raising the standards in tailings management worldwide and is committed to the standard and the ideals it aims to achieve.

ESG in action: environmental restoration

We have made significant progress on the revegetation project we reported last year to find an alternative method to rehabilitating and/or capping TSFs. We have been working with an environmental and agricultural engineering consultancy, OMI Solutions, to find a method that is sustainable, efficient and cost-effective for all stakeholders.

Over the last three years, we have investigated mixing topsoil with tailings, using growth stimulators and incorporating organic amendments with tailings. The organic method showed the most promising results, leading to improvements in drainage, water holding capacity, nutrient levels and overall plant cover.

The project also observed positive ecological impacts, with the return of biodiversity on site, evidenced by the presence of locusts, dragonflies and butterflies.

We are still refining methods, but this shows how far we have come in developing effective and sustainable approaches to TSF rehabilitation, as OMI Solutions CEO Robyn Mellett explains.

"Observations of grass seed germination, plant growth and improvements in the physical and chemical characteristics of the tailings have been encouraging," she says. "It shows that it is possible to overcome the inherent limitations of tailings and create an environment that supports vegetation.

"In addition, there's an ongoing commitment to further research and development in this field, to discover even more effective and groundbreaking solutions for restoring and reclaiming mining areas. It's a forward-thinking approach ensuring sustainable land management practices and contributing to the long-term environmental sustainability of mining operations."

Environmental restoration	FY2021	FY2021	FY2022	FY2023[1]
Total area: vegetation cleared (ha)	156	157	185	**180**
Rehabilitation provisioning – USD*	3,646,044	4,539,937	5,936,804	**4,040,854**

* *Provision is provided for in ZAR and converted to USD at each reporting date.*

[1] *The reduction in the total vegetation cleared is due to some of the environmental restoration/rehabilitation work having been completed. This is also reflected in the reduction in the closure liability (rehabilitation provision).*

Environment continued

E2: Water security and stewardship

Sylvania value
The way we do business

Environment Social

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

Water

Indicator	Unit	FY2022[2]	FY2023	Trend
E Water consumption	m³	Insufficient comparable data due to instrumentation limitations	6,623,556	N/A
E Water recycled/reused	m³	Insufficient comparable data due to instrumentation limitations	5,872,600	N/A
E Water consumption intensity	water consumed (m³) /total tons treated	Insufficient comparable data due to instrumentation limitations	2.53	N/A

[2] *Previous water consumption data that was available was "calculated" based on production. Various formulas were used to determine the water used based on tons treated.*

Water is an invaluable resource, and efficient management of both its supply and utilisation plays a pivotal role in sustaining Sylvania's operations.

Recognising the challenges posed by water shortages, we have diligently explored various strategies to secure, manage, monitor and regulate water consumption. Notably, we have augmented our monitoring capabilities by installing additional flow meters since the previous reporting year, thereby enhancing the precision of our water usage tracking.

Our processing facilities are seamlessly integrated with the water distribution systems of our host mines. Water flows into the Sylvania system through the receipt of current arisings from the host mine. Subsequently, it exits the system through various channels, including the production of Cr_2O_3 concentrate or PGM concentrate, discharge into the tailings stream, or through consumption and process-related losses.

The tailings, once processed, are directed to a tailings dam. While significant water is naturally lost through evaporation and entrapment (almost 50% of all water sent to the tailings dam), the majority reclaimed and redirected to the return water dam for recirculation to the host mine. To supplement our water supply, we source make-up water from the dewatering processes in the underground mining areas of the host mine.

The cumulative volume of water consumed during production, as well as the raw water utilised across Sylvania's operations, is quantified through production data. It is important to note that these figures do not encompass the water consumption metrics of the host mine itself.

In prior years, certain values mentioned above were not computed due to limitations in our monitoring processes. However, Sylvania has since implemented measures to enhance the precision of our data monitoring, ensuring more accurate calculations going forward.

Key

Environment (E)

Water management and conservation – a top priority

In South Africa, where rainfall averages approximately half of the global norm, the management of our water resources holds an equally high priority as the management of our production and financial operations.

To safeguard this invaluable resource, we have adopted a targeted approach encompassing the measurement, monitoring, management and control of water consumption through a comprehensive water conservation and water demand management strategy as disclosed in the 2022 ESG report.

Our overarching objective is to implement measures and initiatives that deliver the following outcomes:

- Reduction in expected water usage or water demand.
- Augmentation of water resource capacity or supply.
- Enhancement of the efficiency in the operation, maintenance and management of infrastructure, including systems, pipes, valves, pumps, meters and related equipment.
- Minimisation of water loss or waste, while concurrently safeguarding and preserving water resources and promoting the judicious and effective use of water.

This strategy aligns closely with the guidelines outlined by the South African mining sector and the Department of Water and Sanitation (DWS). It encompasses three distinct phases, with the initial phase successfully completed in FY2022, and the ongoing implementation of phase 2 currently underway.

Phase one (FY2022)
During the initial phase, conducted in FY2022, focus was on evaluating the effectiveness of the current water monitoring system across all six Sylvania plants. The analysis aimed to pinpoint deficiencies in monitoring information, monitoring devices, water monitoring practices, as well as identify areas of concern related to water losses and operational practices.

Phase two (FY2023)
In the second phase, which unfolded in FY2023, new water management initiatives were introduced. This included the development of an automated, real-time water balance system, featuring strategically placed flow meters along critical lines to enhance the precision of water flow measurements and utilisation monitoring within the operations. Additionally, Sylvania initiated a feasibility study to explore the construction and utilisation of thickeners as a means to reduce water volume losses in the tailings.

Phase three (FY2024)
Looking ahead to phase three, scheduled to commence in FY2024, the primary focus will be on optimising the existing water management systems. The aim is to proactively address controllable water losses stemming from factors such as unlined trenches, stormwater and return water dam losses.

Sylvania's commitment to water conservation will persist as the Company investigates potential modifications to its plants to reduce water demand. Moreover, trade-off studies will be considered that factor in climate impact and demands to support comprehensive water conservation plans aligned with the water balance objectives. The risk management process will include the identification of upstream risks that may impact water availability and quality, along with a thorough review of available water sources.

Environment continued

E3: Climate action

Sylvania value
The way we do business

Environment

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

Energy and GHG emissions

	Indicator	Unit	FY2022	FY2023	Trend
E	Power consumption	kWh	88,247,499	**96,113,178**	↑[3]
E	Energy intensity	kWh/tons treated	37	**37**	→
E	Diesel consumption	L	105,689	**99,292**	↓
E	GHG emissions (Scope 1 and 2)	CO_2e/ton	94,671	**99,388**	↑[4]
E	GHG emission intensity	CO_2/tons treated	0.040	**0.038**	↓

[3] *Increase on total power used due to the Lesedi plant being fed by the Eskom Grid (no longer diesel generators). Overall production profile increased from FY2022 (i.e. more tons treated = more power needed). The addition of two new MF2 plants added to energy consumption.*

[4] *Slight increase due to increased power consumption. Reduction in diesel consumption for power generation contributed has also aided in increasing the GHG emissions (i.e. diesel has a higher impact than Eskom).*

We recognise the role Sylvania plays in supporting a low carbon transition, and also recognise how our Company contributes to GHG emissions. We have taken great strides in unpacking the climate risks and opportunities associated with our operations. In addition, our well-defined ESG framework includes actions to ensure we monitor and measure our climate impact. Longer term, this will help us set measurable targets for GHG emissions.

Optimising our energy usage is key to reducing carbon emissions, and we are continuously assessing and quantifying our energy needs, risks and impacts.

South Africa is currently in an energy crisis and has experienced an average of Stage 4 loadshedding every day in FY2023 (24 hours of outages over a four-day period). This has increased from an average of Stage 3 (18 hours over four days) in FY2022. The cause is an ageing infrastructure and lack of alternative energy producers, so our energy management activities this year must be viewed in this context.

Carbon transition journey

Our carbon transition journey toward a carbon-neutral future commences by first identifying our present and future energy needs. We focus on securing the necessary energy to power our operations while concurrently enhancing energy efficiency, lowering energy consumption and ultimately, substituting or diminishing our reliance on conventional Scope 1 and Scope 2 energy sources with renewable alternatives whenever feasible.

The exact timing and severity of the physical effects of climate change are difficult to estimate. TCFD aims to address this uncertainty by developing recommendations for voluntary climate-related financial disclosures that are consistent, comparable, reliable, clear and efficient and provide decision-useful information to investors.

In FY2023, we developed a baseline of climate reporting that follows these TCFD principles. Our work included:

- Developing a gap assessment in terms of the TCFD recommendations which considers Sylvania's current suite of reporting and the areas related to climate change.
- A strategic climate risk assessment considering both physical and transitional climate risks, as well as a financial analysis of potential implications of both risks and opportunities.
- A baseline TCFD report recording key climate-related actions within the organisation related to governance, strategy, risk management, metrics and targets.

Key

Consistent/no change	→	Negative increase (worsening)	↑
Positive decrease (improvement)	↓	Environment	E

Operational energy security

We are continuing to focus on stabilising and upgrading components of the internal energy reticulation systems.

South Africa still faces challenges with loadshedding and copper cable theft. However, thanks to site generators, our production capabilities and electrical infrastructure have remained largely operational.

National power utility outages still disrupt production and significant operational hours were lost at one plant during the financial year. To overcome this, we have carried out a feasibility study for the installation of two generators at both the Lesedi and Millsell plants. These will be operational during HY1 in FY2024. A desktop study was undertaken to investigate the possibility of installing photovoltaic (PV) panels on roof structures at all operations, and we are in the process of completing a feasibility study for a 1MW PV installation at our Lesedi plant.

In addition, we are undertaking a cost/benefit analysis into mobile micro-grid solar power generation at Mooinooi and Lesedi. This is a standalone system capable of supplying power for 24 hours, mainly for the office area. The micro-grid solar solution comprises battery storage, solar panels and a shipping container with inverters.

Alternative grid-tied solar solutions that can be installed on the existing roof infrastructure for power supply to administrative offices is also being considered. This option requires a connection with the current electrical reticulation infrastructure, which will reduce demand during the day. Initial investigations indicated that this would require less capital outlay than the micro-grid standalone solution.

In addition, we commenced discussions with an intermediary off-taker and service provider to understand the process and possible opportunities for future power off-take agreements.

Reducing Scope 1 and 2 energy sources

We have established short-term objectives for both Scope 1 and Scope 2 energy sources, with target implementation for 2025.

Scope 1

- We are actively exploring the adoption of synthetic fuel/biodiesel for our generators. Additionally, we continually assess the energy efficiency of our existing equipment and infrastructure, including the potential transition to hybrid mining vehicles.
- While non-mineral waste contributes minimally to GHG emissions, we adhere to a waste management hierarchy that prioritises actions in the following order: reduction, reuse, recycling, energy recovery, and, as a last resort, landfill disposal.
- We are committed to minimising land clearance to the extent possible, aligning it with operational needs. In cases where land clearance is unavoidable, the Company provides financial provisions for land rehabilitation. Substantial progress has been made on the revegetation project as an alternative method to rehabilitating and/or capping TSFs.

A property group listed on the Johannesburg Stock Exchange is the facility manager and landlord of our corporate head office and, therefore, its activities have a direct impact on our ESG initiatives. Its ESG strategy states that all buildings within the direct control of the organisation should operate at net zero carbon by 2030, and all other buildings which are not in direct control of the organisation by 2050. The Sylvania head office park has been identified as a possible facility for solar generation by 2027 and this will ultimately reduce our Scope 1 emissions in the future.

Scope 2

We are in the process of re-evaluating the feasibility of deploying solar PV plants to augment our daily power requirements at Doornbosch and Tweefontein.

Furthermore, we are actively seeking proposals and cost estimates for the implementation of green energy solutions, encompassing both solar and gas initiatives, for our administrative offices and employee change houses across all our sites.

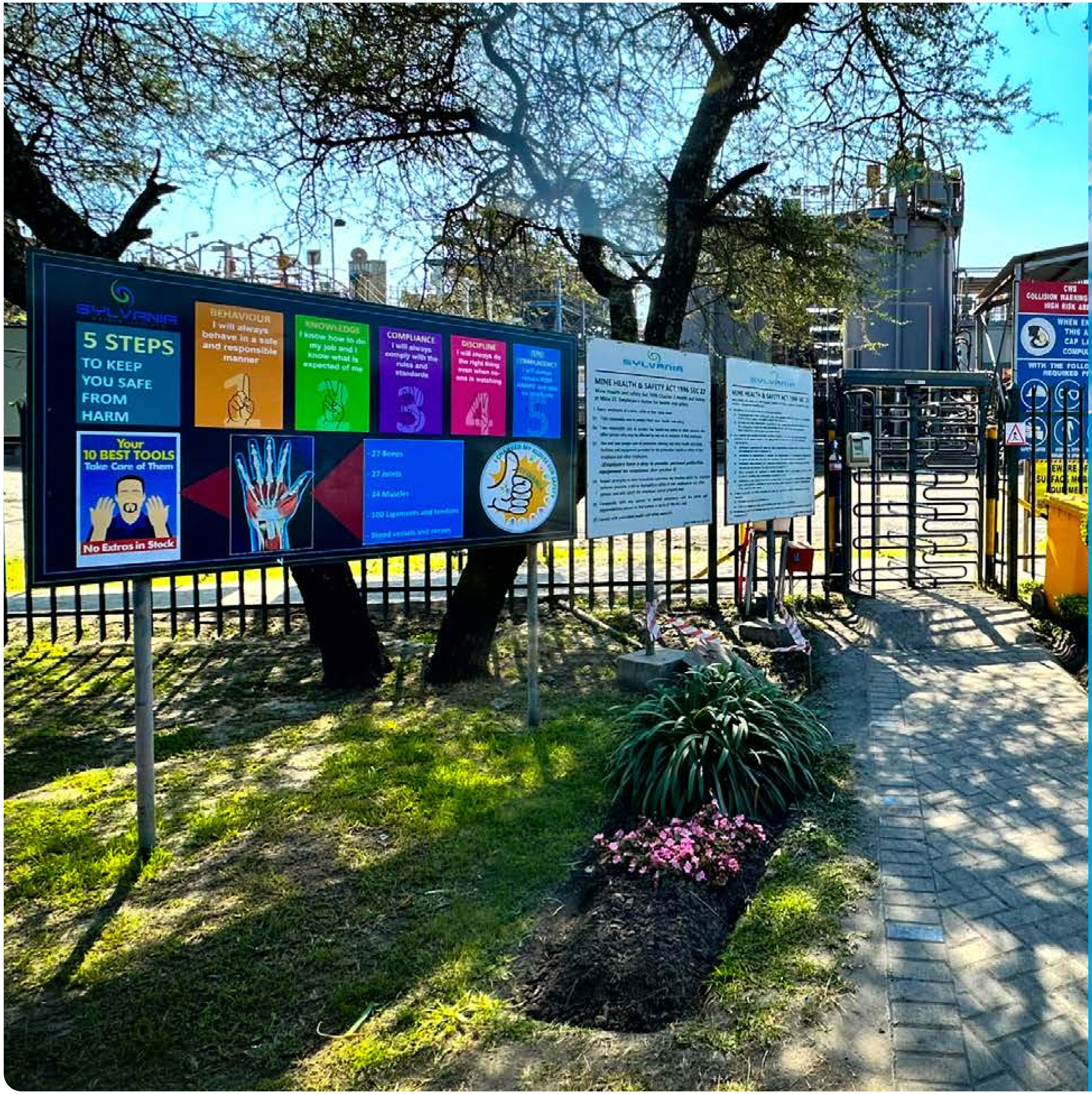
We are currently in discussion with a local supplier and investigating the possibility of converting our fleet of vehicles to hybrid models once these become available in South Africa.

Carbon footprint

Scope 1 and 2 emissions have decreased from the previous financial year reporting period.

	CO_2e/ton			
	Scope 1		Scope 2	
Period	FY2022	**FY2023**	FY2022	**FY2023**
Q1	60	**71**	23,737	**23,680**
Q2	63	**75**	24,517	**23,802**
Q3	63	**122**	23,286	**23,321**
Q4	69	**83**	25,308	**23,601**
Total	265	**351**	99,958	**94,403**

Commencing in 2026, we will begin the collection and reporting of GHG Scope 3-related data. As part of our forward-looking strategy, we are actively working on incorporating ESG principles into our CSI projects, with a particular emphasis on renewable initiatives benefiting both our communities and employees.



SYLVANIA
5 STEPS TO KEEP YOU SAFE FROM HARM
Your 10 BEST TOOLS Take Care of Them
No Extras in Stock

03

Social

Social

S1: Female empowerment

Sylvania value
The way we do business

Environment Social

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

Sylvania is dedicated to enhancing gender diversity within our organisation. In FY2023, we proudly onboarded 125 new employees, with 68 of them originating from our host communities. Notably, among this group, 38 individuals, constituting 30% of the total, were women.

Sylvania Platinum workforce profile as of June 2023

	Male		Female		Total
Level	Historically disadvantaged persons (HDPs)	White	HDPs	White	
Executive management	0	3	0	1	4
Senior management	5	15	1	3	24
Middle management	13	12	3	3	31
Junior management	110	28	35	16	189
Core and critical skills	304	1	88	0	393
TOTAL	**432**	**59**	**127**	**23**	**641**

We are pleased with the notable increase in female representation, particularly in junior management roles and in core and critical skills positions. This trend is expected to have a positive impact on higher-level positions in the coming years. In FY2023, the representation of women in junior management roles increased from 8% in FY2022 to 27% in FY2023. Furthermore, among core and critical skills, 22% of our workforce now comprises women in FY2023, compared to 11% in FY2022.

Women in mining and community upskilling

Sylvania has initiated multiple programmes aimed at advancing women and enhancing their career prospects within the mining industry, as well as fostering the skill development of women within our host communities.

In the 2022 financial year, we introduced a bursary programme that extends financial support to individuals pursuing studies in engineering, IT and Bachelor of Science. Furthermore, we are actively increasing the participation of women in our current internship and learnership programmes, spanning a range of fields, including fitting, electrical engineering, instrumentation and various engineering trades. Notably, our FY2023 internship intake boasts an impressive 60% female representation.

Our commitment to promoting the progress of women in the mining sector extends across our employment practices, community engagement initiatives and procurement activities. This year, we commenced a partnership wherein we supply grease and oil to the Lannex and Tweefontein operations in collaboration with a female-owned business based in Steelpoort. Additionally, we collaborate with female-owned laundry and cleaning businesses situated near our western operations.

ESG in action: supporting women and youth in mining

Tshego Hunadi (27) is from the Ga-Maroga Village in the Limpopo province and is currently taking part in Sylvania's Electrical Learnership programme.

"This learnership is the first step in achieving my long-term goal of becoming a great engineer. Some of the key lessons I learnt were about being disciplined, focused and hard-working. We were taught to respect the work we were doing and the people around us to avoid causing harm to ourselves or others. This is supported by Sylvania's Four Steps to Safety procedure, which is crucial to ensuring zero harm, along with the need to communicate clearly and concisely.

"Sylvania is a great company that cares about the wellness of its employees and provides great training opportunities for community members. Additionally, as a woman, I am grateful to Sylvania for the opportunity. I want women/girls of my age to be independent. I would advise them to choose my career as it offers a lot of options for them."

S2: Workforce diversity and labour practices

Sylvania value
The way we do business

Environment Social

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

Demographic and diversity

	Indicator	Unit	FY2022	FY2023	Trend
S	Employment numbers	#	612	**641**	↑
S	Female employees	#	130	**144**	↑
S	Employee participation and representation	% unionised employees	68%	**85%**	↑

Workforce diversity and inclusion

Sylvania is resolute in its efforts to eliminate gender and ethnicity-based obstacles to advancement. Currently, women make up 23% of our workforce, reflecting a notable increase from the 21% recorded in FY2022. Overall, 96% of these women are also classified as HDPs, marking a significant rise from the 81% reported in FY2022. We remain steadfast in our commitment to appointing more women and HDPs to senior-level positions. Sylvania's code of conduct recognises and respects the rights of individuals. We are committed to preventing all forms of discrimination and will employ the best available persons with required skills in available vacancies.

Sylvania deals with all people and companies fairly and will never engage in deceptive practices. Additionally, Sylvania's anti-bribery and corruption policy expressly states that we have no tolerance for corruption or bribery.

We maintain a well-supported Employee Equity Committee that convenes quarterly, comprising representatives from all organisational levels. This forum serves as a platform for addressing concerns related to skills development, equity representation and planning, and various other matters, enabling continuous dialogue and the formulation of improvement proposals.

As part of our initiatives to promote inclusion, women have been integrated as part of our Employment Equity Committee structures and organised labour structures where issues relating to women and diversity are raised and attended to. Management and unions also have partnership meetings as part of the engagement process. The Company also organises women-focused initiatives, such as Women's Day celebrations, on an annual basis.

Employee participation and representation

In total, 84% of our entire workforce is affiliated to recognised unions that facilitate collective bargaining and address labour-related concerns. Sylvania fully upholds the right to freedom of association and supports collective bargaining. Importantly, our operations are entirely free from any instances of child labour, forced labour, or slave labour. Furthermore, there have been no reported cases of serious misconduct, inappropriate behaviour, or concerns related to corruption within our organisation.

Throughout FY2023, Sylvania consistently maintained labour-related metrics well below industry standards. This included absenteeism levels that remained impressively below 0.01%. There were no incidents of industrial action at any of Sylvania's operations during the same period.

Our employees are regarded as essential stakeholders in our business. In 2020, they received the first distributions through the Employee Dividend Entitlement Programme (EDEP). Subsequent distributions have been disbursed with the declaration of subsequent dividends. This programme offers employees who do not qualify for any other share award scheme an opportunity to participate in and benefit from a portion of the Company's equity returns, without the complexities associated with holding UK-listed shares. The programme was implemented through share buybacks, ensuring no dilution of shareholdings occurred.

Key

Positive increase (improvement) ↑

Social S

Social continued

S3: Employee health and safety

Sylvania value
The way we do business

Health and Safety

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

Incidents

	Indicator	Unit	FY2022	FY2023	Trend
S	Serious injuries	#	–	-	→
S	LTIs	#	2	2	→
S	Medical treatment cases	#	5	2	↓
S	First aid cases	#	4	8	↑[5]
E	Reportable environmental incidents	#	1	-	↓

[5] *Increase in our first aid cases during the financial year. Most of these medical cases were low energy incidents and the learnings have been shared across plants to prevent repeats. In FY2024, there is a drive to reduce low energy incidents at all the plants.*

The paramount importance of the safety, health and wellbeing of our employees is deeply ingrained in Sylvania's core values. Remarkably, our commitment to safety has resulted in zero fatalities since the inception of our business.

We adopt an integrated approach to our health and safety strategies, collaborating closely with our host mines. This collaborative effort allows us to proactively identify, mitigate and respond to workplace-related health and safety risks. Moreover, it ensures that our leadership teams are equipped with the necessary information to make informed, risk-based decisions.

LTIs

The Doornbosch operation achieved 11 years' LTI-free on 26 June 2023, which is a remarkable achievement by industry and global standards. Lannex achieved three years LTI-free during the period, and Millsell and Tweefontein are now both LTI-free for more than a year.

During FY2023, two LTIs were recorded and overall 10 incidents were recorded, compared to nine incidents in the previous year.

Other incidents

We experienced two Section 54 instructions and three Section 55 instructions during the financial year. Four high-potential incidents were recorded and addressed through the SHE management system to prevent recurrence.

At operational level, this is supported by SHE induction training and awareness initiatives, as well as observations[6] that confirm compliance with site procedures and rules.

Occupational illness

In FY2023, our records indicate zero instances of occupational illnesses. Impressively, over 99% of our employees were deemed medically fit for their duties.

Key

Consistent/no change	→	Positive decrease (improvement)	↓
Negative increase (worsening)	↑		
Social	S	Environment	E

In cases where an employee is declared medically unfit, Sylvania has established a clear family replacement policy to safeguard the interests of affected families. This policy ensures that families do not face adverse consequences if a Sylvania employee becomes unable to work. In such situations, if another family member possesses the requisite skills, they have the opportunity to step into the role previously held by the affected employee, maintaining both employment continuity and family wellbeing.

Mental health

We place a strong emphasis on recognising and addressing psychological safety concerns that impact the mental wellbeing of our employees. In FY2022, we initiated an employee wellness programme, offering access to a range of support services encompassing financial, legal, and family support.

Feedback received from our service provider underscores that non-work-related challenges primarily revolve around financial and family matters. While individual employee discussions and support remain confidential, we diligently monitor feedback pertaining to broader areas of concern. This proactive approach allows us to identify emerging trends and subsequently establish targeted workshops and communication channels to provide assistance and support.

Healthcare

Sylvania provides the option of a medical aid or medical scheme allowance to all employees. Following a promotional drive last year, 88% of all employees are now members of a recognised medical aid scheme. We remain committed to further promoting and encouraging participation in these medical aid schemes.

ESG in action: Make It Personal

Sylvania has initiated our *Make It Personal*, a campaign designed to improve and maintain personal safety on site. The idea is that by making safety personal, it reinforces that every employee is responsible for a safe working environment. The intention is that safety becomes second nature, and this will ensure all workers get home safely every day.

The campaign revolves around physical reminders, including a whistle, a red stop card, 'I am safety' cards, a backpack and campaign videos starring both operations and corporate employees.

The whistle is used during a shift at the start of fatigue breaks, at 03:00, 09:00, 14:00 and 20:00, to encourage workers to PAUSE and take a 360-degree check of their surroundings to ensure the area is safe. Steps include:

> PAUSE before you start.
> ASSESS possible hazards.
> UNDERSTAND how to proceed safely.
> SHARE your plan with others.
> EXECUTE activity safely.

The red stop card lets workers know they can stop working if it is unsafe to carry on and ensure it is safe before resuming.

The 'I am safety' cards provide information about the Mine Health and Safety Act (MHSA) sections 10, 11, 22 and 23, along with Fatal Risk Protocols and Life Preserving Rules in an easy to carry pack.

The backpack encourages workers to travel safely to and from work, returning home the same as they left. Safety is a journey and it is up to the individual to make it a safe journey.

[6] *Observations include Planned Task Observations, Critical Task Observations and Safe Behavioural Observations. These are recorded and reflected as part of integrated management system compliance on site.*

Social continued

S4: Training and development

Sylvania value
The way we do business

Environment Social

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

SLP training and development

	Indicator	Unit	FY2022	FY2023	Trend
S	Number of community-based employees training	#	14	**10**	↓
S	External training provided	#	4	**1,551**	↑
S	Number of interns	#	3	**3**	→
S	Number of bursaries (internal and external)	#	7	**24**	↑

In addition to regular employee training provided by Sylvania, the host mine and external service providers, we extend our training and development initiatives to individuals residing in the local community.

Our community-focused programmes primarily centre around trade certification in artisan-related fields, such as fitting and turning, as well as electrical competencies. In September 2019, we introduced a milling and flotation training module, which garnered participation from 63 individuals. To gauge the success of this training, we not only consider the number of participants but also assess how many of them secure employment as a result. To date, 31 participants have successfully secured jobs, accounting for 49% of the participants. Notably, Sylvania has contributed two of these appointments since September 2022.

In the current year's programme, we have 24 participants, including 11 women, actively engaged in these training initiatives. Additionally, Sylvania awarded 24 bursaries (internal and external) in FY2023.

ESG in action: training in the community

Many in our local communities have benefited from Sylvania's community training programmes, with an emphasis on upskilling women. Some of the women who completed Sylvania's in-house plant operator course on the Eastern Limb shared their stories.

Phala Dineo Kekolane (29) is from Ga-Malekana Village in the Limpopo province.

"I enjoyed being part of Sylvania's in-house training programme as I am fast and a hard worker. I chose to become a plant operator because of my interest in PGMs. The training provided me with a better understanding of reagents, and why they are important in the production of PGMs and chrome. I also learnt how to safely work in a plant. As a woman, I believe it is important for women to get more exposure to the mining industry, and the plant in-house training has helped me greatly in my understanding of the industry."

Key

Consistent/no change	→	Positive decrease (improvement)	↓
Positive increase (improvement)	↑	Social	S

Moshiane Constance Mokabane (36) is from the Ga-Ratau Village in the Limpopo province.

"The training was challenging at first, but Sylvania assisted me in learning a great deal about how the plant works and how to be a good and safe plant operator. Some of the highlights for me were learning about the spirals, the conveyor belts, how the flotation system works and taking material samples. Women should not avoid this career path as they should be aware that every career has its challenges. I learnt that we can definitely work in the mining sector and I am grateful for the experience that Sylvania gave me."

Judith Tshoma (24) is from Kutullo Village in the Limpopo province.

"Taking part in the training programme helped me develop a career plan and improved my communication skills. I believe the training has been a key to both my personal and professional development as there was a big emphasis on discipline and cooperation. I would encourage women to pursue training opportunities like this at every level."

Mpho Mohlatlole (32) is from the Mahlakwena Village in the Limpopo province. She was appointed as a plant operator at Lannex plant in July 2023.

"I completed my matric in 2009 and then completed my N4 Electrical Engineering Diploma. My long-term goal is to become a plant operator foreman and the training Sylvania provided me has given me the foundation to achieve this goal one day. The training programme taught me about how the plant operates, especially the spiral and flotation process. It was interesting to learn how to separate PGMs and chrome from the ore. As women, we should not limit ourselves; we can certainly thrive in this sector."

Social continued

S5: Communities, customers and local stakeholder relationships

Sylvania value
The way we do business

Social | Culture

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

Our commitment to engaging with employees and local communities is facilitated through our Employment Engagement Forums and Community Liaison Officers (CLOs). In FY2023, we welcomed an additional 58 members from the local community into the Sylvania workforce. Furthermore, we actively participate in various community outreach and upliftment initiatives.

Current programmes

Sylvania continued with ongoing contributions towards CSI projects during the 2023 financial year, including maintenance work and provision of supplies, such as furniture and groceries, to the following organisations:

- Itereleng Home Based Centre
- Sunshine Day Care Centre
- Makgemeng Tribal Office
- Ngwanamokgaga Creche
- Roots of Education Daycare Centre
- Motheo Day Care Centre
- Maremo Day Care Centre
- Mampuru dumping site
- Community outreach (Nelson Mandela Day and Women's Day) and Mashupje Secondary School, Moddderspruit communities

As part of community health and wellness, Sylvania recognised World Aids Day in December 2022 and supported an ongoing anti-gender-based violence campaign across our operations in partnership with the South African Police Services (SAPS) to expand awareness.

As a stakeholder in one of the most biodiverse countries in the world, the mining industry has a duty to ensure that conservation is promoted and wildlife is protected for current and future generations. We are exploring opportunities to enable us to support non-profit organisations and initiatives, such as the Endangered Wildlife Trust (EWT). EWT focuses on threatened wildlife species, such as the illegal trade of pangolin scales and rhino horns. This will enhance our commitment to the UNSDG 15, Conserving Life on Land.

Complaints and incidents

We have established a formal stakeholder engagement register to streamline the tracking and reporting of complaints received from and commitments made to the communities. During the FY2023 reporting period, Sylvania is pleased to report that we have not received any community complaints.

S6: Gender-based violence

Sylvania value
The way we do business

Culture | Governance | Social

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

Sylvania places a high priority on addressing and eradicating GBV throughout our operations and within our host communities. Our stance on GBV is one of zero tolerance, although we recognise that many incidents may unfortunately go unreported. To proactively prevent such incidents, we actively implement initiatives/campaigns designed to deter GBV from occurring in the first place.

ESG in action: Supporting an end to GBV

Sylvania supports the work of the non-profit Gatsheni Lifeway Hope organisation, founded in February 2021. Its director, Themba Ndlovu explains why this backing is so important to them.

"I am deeply grateful for the support we have received from Sylvania. Its commitment to uplifting communities through its initiatives against GBV is truly commendable. Sylvania has been a dedicated partner, supporting our organisation for the past two years.

"We focus on creating awareness about GBV and providing support to both communities and victims. We strive to promote the available support structures and empower individuals to break free from the cycle of violence. However, limited resources have been a challenge for our organisation.

"Sylvania's support has been a game-changer for us. Its contribution not only fuels our organisation but also enables us to have a greater impact on the community. With Sylvania's backing, we have been able to expand our reach and succeed in our mission. We appreciate its belief in our cause and its commitment to making a positive difference in the lives of those affected by GBV."

04

Governance

Governance

G1: Responsible business

Sylvania value
The way we do business

Governance

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

Sylvania's senior leadership team, under the guidance of the CEO, is responsible for managing key strategic and tactical decisions that may impact our ESG priorities at a project and operational level. ESG is embedded into the business with relevant decisions taken at monthly operational meetings, quarterly technical reviews, monthly Risk and Safety Committee meetings and monthly Social and Ethics Committee meetings.

In the prior year, Sylvania developed an ESG reporting toolkit to establish a set of criteria and baseline data to help map Sylvania's ESG journey. In addition, the Company drafted SHE and ESG framework policies, aligned with the expectation of stakeholders and focused on legal compliance and the management of business risks.

During the current 2023 financial year, the Company launched various ESG awareness training campaigns to further embed the principles of ESG. This training was rolled out at all levels, including the Executives and senior management, as well as campaigns driven by the safety department covering all senior and middle management employees. ESG-related actions in the Sylvania operational induction programme have helped ensure a sustained roll-out. An internal ESG dashboard is being developed, which will monitor and display ESG performance on a quarterly basis.

Sylvania's strategic risk and business register was reviewed in July 2022 and February 2023, and updated to reflect key business and operational risks, including ESG-related risks, and to ensure controls are in place to mitigate these. This is included as part of the Directors' report in the 2023 annual report.

Sylvania's SHE management and subcontractors are reported and assessed monthly through the host mine's SHE compliance process. No compliance concerns were noted in FY2021, FY2022 or FY2023.

In accordance with Sylvania's code of ethics, Directors, management and employees are required to deal with the Company's customers, suppliers, competitors and each other with honesty, fairness and integrity and observe the rule and spirit of the legal and regulatory environment in which the Company operates (in whichever jurisdiction that applies). Additionally, the Company has strict anti-bribery and corruption and whistleblower policies. Sylvania protects the interests of employees in instances where they genuinely disclose corrupt activities. Reports of violations or suspected violations will be kept confidential and may only be disclosed to the relevant regulatory authority or to someone else with the consent of the discloser to the extent possible, consistent with the need to conduct an adequate investigation.

Human rights are the fundamental principles that ensure the dignity, equality and wellbeing of every individual. At Sylvania, we are committed to upholding these rights not only within our own organisation but also throughout our entire supply chain. Sylvania recognises the importance of working in accordance with international standards such as the UN Global Compact and the Guiding Principles on Business and Human Rights. Our approach to fostering an ethical value chain starts with a rigorous supplier selection process that evaluates potential partners based on their commitment to human rights, labour standards, environmental sustainability and ethical business practices. Once a supplier is on board, Sylvania engages in regular dialogues, conducts audits and provides training and capacity-building programmes to ensure that these standards are met and continually improved upon. By working closely with our suppliers, Sylvania aims to create a supply chain that not only delivers positive production results, but also respects and promotes human rights for all involved in our operations. Sylvania believes that upholding human rights is not just a moral imperative, but also an essential element of responsible and sustainable business practices.

G2: Sustained resources, growth and diversification

Sylvania value
The way we do business

Governance

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

While our existing dump, current arisings and ROM feed sources at host mines are accessible to our Group for the duration of the mine's life, it is important to note that treating tailings material is not an indefinitely sustainable activity. To secure a sustainable long-term production profile, we continuously explore additional feed sources and engage with potential third-party partners who could provide the necessary resources to extend the life of our operations. A significant illustration of this engagement with third parties was exemplified in the August 2023 announcement that our South African subsidiary, Sylvania Metals, had entered into an unincorporated JV agreement with LMC, a subsidiary of ChromTech Mining Company. This JV, operating under the name Thaba JV, will process PGM and chrome ores from historical tailings dumps and current arisings at the Limberg Chrome Mine, situated in the northern part of the Western Limb of the BIC, South Africa.

The Thaba JV represents a pivotal milestone in the realisation of Sylvania's growth strategy and marks a substantial advancement for Sylvania Metals in expanding its operations and leveraging its expertise in recovering chrome and PGM concentrates. The operation is expected to contribute approximately 6,500 4E PGM ounces and 200,000 tons of chromite concentrate to Sylvania Metals' existing annual production profile.

In our continuous pursuit of enhancing recovery from our existing resources and improving operational efficiency, we persistently research, develop and implement new technologies and circuit modifications, including the rollout of additional MF2 modules (Project Echo expansion) across the Group in recent years.

With respect to our diverse mineral assets, we have made substantial strides over the past 12 to 18 months to unlock significant value in our owned mineral assets where we possess approved mining rights. Through collaborations with reputable specialist consultants and an innovative approach, we have bolstered confidence in the resources and have generated updated resource assessments for both our Volspruit project and Far Northern Limb assets. Additionally, we completed a preliminary economic assessment for the Volspruit project and are poised to transition to the prefeasibility phase in the upcoming financial year.

Several years ago, Sylvania initiated a partnership with a 'binding technology' specialist to jointly develop a novel chemical bonding process. The objective was to create chromite ore pellets suitable for ferrochrome (FeCr) smelting, with the added potential to significantly reduce the electrical energy consumption per ton of FeCr produced. In return for funding the development costs of this venture, Sylvania secured the licence for any future chrome pellet production in South Africa. This ongoing research and development project is anticipated to yield favourable outcomes and may pave the way for diversification into other sectors and commodities.

Governance continued

G3: Stakeholders and engagement

Sylvania value
The way we do business

Culture Governance Social

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

Our interactions with stakeholders serve as the cornerstone of Sylvania's accountability framework, laying the groundwork for our business planning and strategy. These engagements also guide our identification of material issues that warrant attention.

The outcomes stemming from our stakeholder engagement initiatives are systematically incorporated into our quarterly, interim and annual reports. Furthermore, they play an integral role in shaping our everyday operations.

Principal stakeholders, their function and how we engage with them

Stakeholder group	Stakeholder profile	Engagement platforms
Host mines	Our host mines provide the Company with critical feedstock and operational services for our tailings retreatment operations.	Formal meetings to discuss operational matters.
Financial community and shareholders	Shareholders provide the capital required to invest in growth projects. The business is an investment opportunity for them.	The Company's London Stock Exchange Alternative Investment Market (AIM) listing requires regulatory communications to shareholders. Investor briefings, roadshows, meetings and the Company's website are used to reach this target audience.
Employees and unions	Employees are represented by the majority union, the National Union of Mineworkers.	This relationship is governed by a recognition agreement which provides for regular meetings.
Authorities – local, provincial and national government structures	DMRE, South African Revenue Service (SARS), Treasury, DWS, Environmental Affairs, SAPS, etc.	Formal meetings, visits and correspondence. Engagements as part of permitting processes.
Communities	Host mine transformation departments, Sylvania community liaison structures.	Meetings at operational level are the vehicle for discussing community concerns and expectations. Appropriate programmes are identified with the cooperation of the host mines. The public participation process is linked to site permits and licences.

Regulatory compliance

	Indicator	Unit	FY2022	FY2023	Trend
G	Environmental directives	#	0	**0**	→
G	Material legal compliance risks	#	0	**0**	→
G	Permits and licences	# of fines	0	**0**	→
G	MHSA, sections 54 and 55	#	0	**5**	↑[7]

[7] *Due to the increase in safety accidents and fatalities within the mining sector in 2022, the DMRE increased site visits and issuing of regulatory instruction. Such affected Sylvania's northwest operations.*

The Company's activities, ranging from exploration to rehabilitation and closure, necessitate legal permits granted by relevant authorities. These permits encompass binding commitments and obligations that demand diligent monitoring to ensure adherence. This vigilance is of paramount importance, as any delays in obtaining permits or failure to comply with their stipulations can carry substantial financial, operational, legal and reputational repercussions.

Our licence to operate is closely linked to environmental permits and authorisations governed by relevant sections of the following legislations:

- The Mineral and Petroleum Resources Development Act 2002 (MPRDA), encompassing mining rights, environmental management programme reports, as well as social and labour plans.
- The National Environmental Management Act 1998, incorporating sector-specific national legislation and related regulations, including Environmental Impact Assessments (EIAs) associated with the performed activities.
- The National Water Act 1998 (NWA), which covers water use licences.

During the financial year, the DMRE issued five instructions (sections 54/55) that highlighted areas where our risk mitigation measures require enhancement. To address these concerns, Sylvania is actively implementing targeted training interventions and conducting rigorous inspections focused on trackless mobile machinery and tracking management, equipment safeguarding, equipment handling, working in elevated positions and slip and fall prevention. These efforts aim to enhance the effectiveness of our current control measures.

Key

Consistent/no change	→	Negative increase (worsening)	↑
		Governance	G

Governance continued

G4: Economic contribution

Sylvania value
The way we do business

Social Governance

ICMM reference
Guiding principles

UN SDG reference
The ESG goals

In 1980, South Africa's mining industry reached its peak, standing as the nation's largest economic sector, contributing a substantial 21% to the gross domestic product (GDP), and offering employment to nearly 800,000 individuals. However, by 2022, it had declined to seventh place, although still played a significant role, accounting for 7.5% of the GDP and directly employing almost 476 000 people. Notably, the PGM sector alone directly employed around 173 000 people.

Sylvania follows South Africa's – a member of the International Labour Organisation – labour laws, ensuring that its employment policies, procedures and practices are in full compliance with the relevant legislation in the country. Remarkably, South Africa, despite being an emerging economy, has pioneered the promotion of ethnic diversity.

Nonetheless, South Africa currently grapples with the highest unemployment rates globally, surging to 33% in the first quarter of 2023, primarily due to a power crisis that hampered many businesses' ability to remain operational. Youth unemployment skyrocketed to a staggering 62%. In 2021, a significant 80% of the unemployed population in South Africa consisted of HDPs. This predicament stems from various factors, including the geographical distance between the populace and workplaces, coupled with high commuting costs, which exacerbate the issue for the HDP community.

Sylvania is dedicated to addressing this challenge by making substantial investments in community training programmes (as detailed in sections S4 and S5). Our recruitment efforts are centred around the communities proximate to our operations, with more than two-thirds of our new hires in FY2023 originating from these locales.

Furthermore, aside from employment opportunities, internships and learnerships, Sylvania has also made substantial contributions to the broader South African economy through tax payments and local procurement initiatives.

Sylvania's contribution to the South African economy

Detail	Indicator	FY2021 (ZAR)	FY2022 (ZAR)	**FY2023 (ZAR)**
Employee and related payments include: Salaries and wages Contributions and employees' tax paid Employee dividend entitlement programme	Salaries and wages	195,959,692	236,827,639	**317,949,331**
	Plant bonuses	19,255,814	16,397,042	**28,838,670**
	HO bonuses	5,233,721	8,296,575	**6,212,319**
	13th cheques	15,169,590	16,615,978	**18,252,454**
	Contributions and employee tax paid	90,603,680	116,839,748	**124,732,514**
	Employee dividend participation scheme	7,640,524	10,379,248	**17,010,114**
The Group paid the following to SARS	Income tax	697,145,678	342,552,382	**367,927,842**
	Value added tax	330,277,516	365,968,856	**239,263,797**
	Dividend withholding tax	37,738,136	19,406,578	**47,544,341**
	Mineral royalty tax	132,873,170	106,397,006	**99,345,721**
Local community procurement	Value of procurement from local/host communities	Not previously calculated	77,451,677	**118,023,036**

Investing in people – long service awards
Sylvania enjoys the services of some of its loyal and long-serving employees. The long service is being rewarded in line with Company long service award policy.

Sylvania head office: Vasie Naidoo, Senior Bookkeeper – 17 years with Sylvania
"I have been working at Sylvania's head office since 2006 as a senior bookkeeper. I was part of a small team working out of small premises in Rivonia, Johannesburg. Over the years, we outgrew our office and moved to our current bigger offices in Roodepoort, Johannesburg.

"When I started, there were only two plants in operation and today there are six. Many people, like me, have stayed at the Company for several reasons, one of them being because they like the work environment. It's a great company with good structures. It is very stable owing to the great structures put in place by management.

"Sylvania has provided me with many growth opportunities for which I am very grateful. Women are well supported and appreciated by the Company. It was fantastic to be acknowledged in 2022 with a long service award and I look forward to hopefully retiring from Sylvania in a few years."

Sylvania Eastern Operations: Magreth Tshehla, Plant Operator – 17 years with Sylvania
"I started working at Sylvania's Eastern Operations in 2006 as a general worker and in 2017 I was promoted to the position of Plant Operator. I have been treated very well during my time working at Sylvania and I have managed to pay for my child to attend university and to build a house for my family. Training and skills development is important to the Company, and I am grateful for all these opportunities that I received."

Sylvania Western Operations: Dineo Huma, Stores Clerk – 14 years with Sylvania
"Joining Sylvania in August 2009 as a stores clerk, my journey has been one of continuous growth and learning.

"When I first started at the Mooinooi site, I was the first Stores Clerk, without prior qualifications or experience in the role. However, I embraced the opportunity and learnt on the job, gaining knowledge in identifying different types of spares, building relationships with suppliers and managing orders efficiently. After two years, I began my educational journey, earning a Certificate in Basic Store Keeping and Stock Control.

"In 2023, I further enhanced my skills by obtaining a Certificate in Purchasing and Supply Chain Management. Currently, I am pursuing a Diploma in Business Management while still serving as a dedicated stores clerk at the Mooinooi plant. Sylvania has provided me with the platform to develop both professionally and personally and I am grateful for the invaluable experiences and support I have received along the way."

Overview
Environment
Social
Governance

Glossary of terms FY2023

3E PGMs	3E ounces include the precious metal elements platinum, palladium and gold
4E PGMs	4E PGM ounces include the precious metal elements platinum, palladium, rhodium and gold
6E PGMs	6E ounces include the 4E elements plus additional iridium and ruthenium
AIM	Alternative Investment Market of the London Stock Exchange
All-in cost	All-in sustaining cost plus non-sustaining and expansion capital expenditure
All-in sustaining cost	Production costs plus all costs relating to sustaining current production and sustaining capital expenditure
BIC	Bushveld Igneous Complex
CEO	Chief Executive Officer
CLOs	Community Liaison Officers
CSI	Corporate social investment
DMRE	Department of Mineral Resources and Energy
DWS	Department of Water and Sanitation
EBITDA	Earnings before interest, tax, depreciation and amortisation
EDEP	Employee Dividend Entitlement Programme
EIA	Environmental Impact Assessment
EIR	Effective interest rate
GBV	Gender-based violence
GHG	Greenhouse gases
GISTM	Global Industry Standard on Tailings Management
HDP	Historically disadvantaged person
ICMM	International Council on Mining and Metals
JV	Joint venture
Lesedi	Phoenix Platinum Mining (Pty) Ltd, renamed Sylvania Lesedi
LMC	Limberg Mining Company (Pty) Ltd
LTI	Lost-time injury
LTIFR	Lost-time injury frequency rate
MF2	Milling and flotation technology
MHSA	Mine Health and Safety Act
MPRDA	Mineral and Petroleum Resources Development Act
NWA	National Water Act 36 of 1998
PGM	Platinum group metals comprising mainly platinum, palladium, rhodium and gold
Project Echo	Secondary PGM Milling and Flotation (MF2) programme announced in FY2017 to design and instal additional new fine grinding mills and flotation circuits at Millsell, Doornbosch, Tweefontein, Mooinooi and Lesedi
Revenue (by products)	Revenue earned on ruthenium, iridium, nickel and copper
ROM	Run of mine
SAPS	South African Police Services
SASB	Sustainability Accounting Standards Board
SDO	Sylvania dump operations
SHE	Safety, health and environment
SLP	Social and Labour Plan
Sylvania	Sylvania Platinum Limited, a company incorporated in Bermuda
TCFD	Task Force on Climate-Related Financial Disclosures
tCO_2e	Tons of carbon dioxide equivalent
TSF	Tailings storage facility
UK	United Kingdom of Great Britain and Northern Ireland
UNSDGs	United Nations Sustainable Development Goals
USD	United States Dollar
ZAR	South African Rand

Notes

Corporate information

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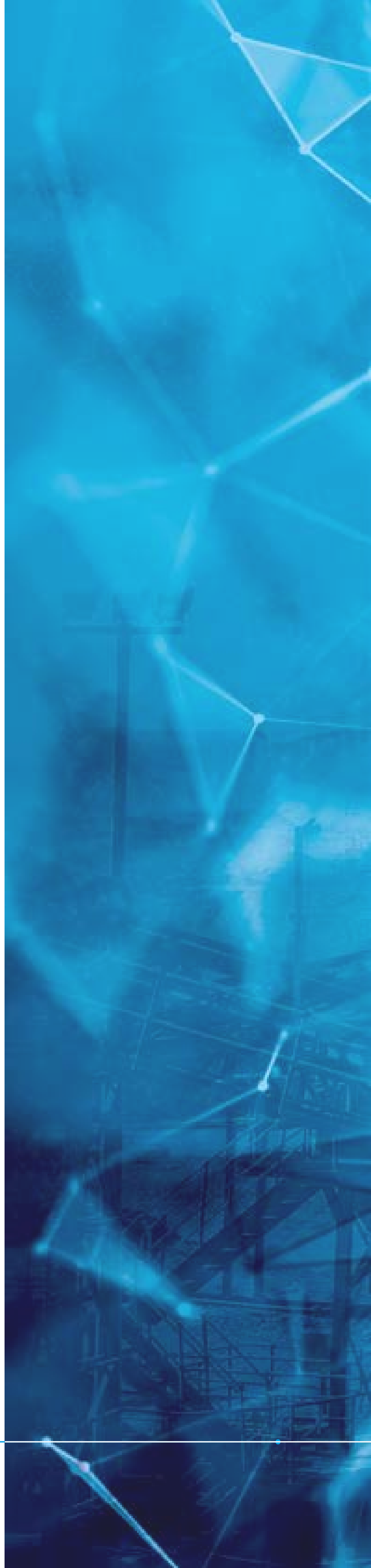

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