

# CORPORATE GOVERNANCE STATEMENT

## INTRODUCTION

The Company is quoted on AIM and has adopted the Quoted Companies Alliance (QCA) Corporate Governance Code 2018 (the Code) for Smaller Companies. In accordance with the AIM Rules this was adopted and implemented from September 2018 and is disclosed on the Company's website (<https://www.sylvaniaplatinum.com/governance/corporate-governance>).

The Board is committed to maintaining the highest standards of corporate governance throughout its operations and to ensuring that all its practices are conducted transparently, ethically and efficiently to ultimately deliver long-term value to shareholders. The Board examines all aspects of its business to ensure an effective and efficient management framework as recommended by the Code.

The Board and management continue to review, analyse and improve the Company's procedures resulting in the continued success of the Company and increasing shareholder value. Good and transparent communication is key to promoting shareholder confidence and building trust.

The Company provides a summary of its current Corporate Governance Code compliance as guidance, as detailed below.

The Board, guided by the Chairman, reviews the Group strategy and business plan on a regular basis to ensure medium- and long-term value for stakeholders. The Board communicates the Group strategy to, and connects with shareholders, through formal platforms to promote trust in the Group and the Board. The shareholders are granted the opportunity to respond to these engagements to promote open communication channels. The Group Vision, Mission and Values are the foundation of this strategy, summarised below:

<b>Vision:</b>	To be the leading mid-tier, lower unit cost, PGMs producing company.
<b>Mission:</b>	To generate wealth for all our stakeholders using safe and innovative processes with a focus on PGMs while exploiting any value-adding associated minerals.
<b>Values:</b>	<ul style="list-style-type: none"> <li>• We value the safety and health of all</li> <li>• We value the fundamental rights of all people</li> <li>• We value honesty and integrity</li> <li>• We respect the environment</li> <li>• We value the culture, traditional rights and society in which we operate</li> </ul>

In achieving the above Vision and Mission, the Board and management operate according to four focus areas:

- Maintaining safe and profitable production
- Progressing Research & Development as well as Exploration Projects
- Strengthening License to Operate
- Growth Opportunities

The Executive Board members lead by example in living the values and promoting the culture of the Group, which facilitate improved performance, reduce and mitigate risk and create sustainable growth. Group results are disclosed on the Group website on a quarterly basis, supported by more detailed reports bi-annually, promoting transparency.

## THE BOARD OF DIRECTORS

The Board is responsible for providing leadership aligned with the Company's culture and ethical values, creating an environment where strategy, performance, risk management and sustainability is equally valued and balanced to optimise results. The Board is responsible for the management of the Company by developing, reviewing and approving the Company's strategy, budgets and corporate actions. Regular Board meetings are held to review strategy, planning, operational and financial performance. Furthermore, the Board ensures that its obligations to shareholders and other stakeholders are met and that good relationships are maintained.

The Board comprises six members, representing a balance of sector expertise, financial and market experience and personal attributes. The composition of the Board and the respective skills supports the delivery of the Company's strategy and business plan. The Board is made up of: the Independent Non-Executive Chairman, three Independent Non-Executive Directors and two Executive Directors. The details of the Board members are outlined in the Directors' report. There is a clear division of responsibilities at the head of the Group through the separation of the positions of the Chairman and the Chief Executive Officer and the roles and responsibilities of the Board members are clearly defined.

### The Board currently comprises:

<b>SA Murray</b>	Independent Non-Executive Chairman
<b>JJ Prinsloo</b>	Chief Executive Officer
<b>L Carminati</b>	Chief Financial Officer
<b>E Carr</b>	Independent Non-Executive Director
<b>A Reynolds</b>	Independent Non-Executive Director
<b>S Scott</b>	Independent Non-Executive Director

The Board met eight times during the reporting period. Three formal Board meetings, one budget meeting and four strategy and information update meetings were held.

The Board receives detailed information packs ahead of all Board meetings on all operational, financial and corporate activities to enable them to make informed decisions when necessary.

The Board has not appointed a Senior Independent Director but will do so if and when it is appropriate considering the Company's size and stage.

# CORPORATE GOVERNANCE STATEMENT (continued)

## SHAREHOLDER RELATIONS AND EXPECTATIONS

The Company is committed to communicate with shareholders through investor roadshows, individual meetings, on-line, through RNS and on the Company's website. The interactions are conducted quarterly as well as in line with the half-year end annual reporting cycles. The goal is to maintain an open and transparent relationship with shareholders on the strategy and performance of the Company.

Board appointments, succession planning, corporate governance, risk management and sustainability matters are dealt with by the full Board of Directors. In addition, the Directors have established Audit and Remuneration Committees to address specific areas in more detail.

## AUDIT COMMITTEE

The Audit Committee has been established to assist the Board in fulfilling its obligations in respect of financial reporting and results, other public announcements where applicable, the internal and external audit process and the control environment.

Following the resignation of Roger Williams, Eileen Carr was appointed as Chair of the Audit Committee. Adrian Reynolds and Simon Scott joined the Audit Committee on 1 August 2021 and 1 January 2022 respectively. Detail of the Committee members qualifications and experience is detailed in the Directors' report.

The role of the Audit Committee includes, amongst other, the below:

- monitor and review the integrity of the financial reporting of the Company, reviewing significant financial reporting judgments;
- review the Company's insurances on behalf of the Board, noting that the Company's risks in general are addressed by the Board itself;
- monitor, review and oversee the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- monitor, review and oversee the internal audit function and the financial control system;
- monitor and review compliance with the Company's Code of Conduct and Whistle-blower Policy; and
- perform such other functions as assigned by law, the Company's Byelaws, or the Board.

The Audit Committee invites representatives of the external auditor, management and on occasion the internal auditor to all committee meetings. PwC is the Company's external auditors for a second consecutive year and the Audit Committee is satisfied that the Group's auditors are independent.

The Audit Committee met four times during the year to consider the following agenda items:

### August 2021

- The Annual Report for the year ended 30 June 2021;
- External Audit Report on the Group Annual Financial Statements for the year ended 30 June 2021;
- Going concern;
- Impairment;
- Internal audit update;
- IT governance update; and
- Whistle-blower feedback

### November 2021

- External auditor's strategy and planning report for the Half year review;
- Directors and Officers Liability Insurance;
- Internal audit update;
- IT governance update;
- ESG reporting update; and
- Whistle-blower feedback

### February 2022

- Half year results and report to 31 December 2021;
- External audit report on half year;
- Half year Impairment and going concern assessments;
- Internal audit update;
- IT governance update; and
- Whistle-blower feedback

### May 2022

- External audit strategy and plan for the 30 June 2022 year-end audit;
- Exploration assets and projects update;
- Internal audit update;
- IT governance update; and
- Whistle-blower feedback

All announcements released via RNS, including quarterly, half year and annual results are approved by the entire Board.

## CORPORATE GOVERNANCE STATEMENT (continued)

### REMUNERATION COMMITTEE

The purpose of the Remuneration Committee is to determine and agree with the Board the framework or broad policy for the remuneration of the Company's Chairperson, Executive Directors and senior management.

The Remuneration Committee comprises Adrian Reynolds as Chair and Stuart Murray. During the year the Remuneration Committee met twice and invited Eileen Carr, the CEO as well as Simon Scott to attend.

The Remuneration Committee assists the Board to determine the remuneration arrangements and contracts of the Executive Directors and senior employees. It also reviews the Board and Executives' key performance indicators, as well as performance related pay and bonus share allocations. No Director is involved in reviewing their own remuneration. Directors' interest in shares is set out in the Directors' report. Succession planning for Senior Executives is reviewed annually.

The Independent Non-Executive Directors may, if needed, seek independent professional advice, at the Group's expense, in the execution of their duties.

### NOMINATIONS COMMITTEE

The role of the Nominations Committee is undertaken by the full Board of Directors. The Nominations Committee is charged with finding suitable candidates for nomination for appointment to the Board of Directors.

### STAKEHOLDER AND SOCIAL RESPONSIBILITIES

All stakeholders are engaged with on a regular basis, whether formally or informally. Two-way communication ensures that healthy and transparent relationships, built on trust and integrity, are maintained with all stakeholders. The Company is committed to "doing what we say we are going to do" and show commitment towards delivering high performance outcomes portraying an image of professionalism.

Refer to the Company website <https://www.sylvaniaplatinum.com/> and our ESG Report for more detail on the various engagements with our employees and communities in which the Company operates.

### RISK ASSESSMENT AND INTERNAL CONTROLS

Details of the principal risks are disclosed in the Directors' report. The Board and management perform ongoing risk assessments which are tracked in a risk register and discussed regularly at operational and strategic risk workshops. The Board also considers financial indicators including solvency and liquidity. The Group's ability to continue as a going concern is formally assessed bi-annually and as part of the annual budgeting process. Further consideration of the Group's solvency and liquidity ratios are performed when dividend payments are made.

The Group does not have a separate internal audit function to consider the design and effectiveness of the control environment. However, an external independent firm has been engaged to assist with the evaluation and testing of the control environment and to identify possible vulnerabilities. The planning and reporting of the Group's internal audit function is monitored by the Audit Committee and the Board of Directors, and the internal auditors are invited to the Audit Committee meetings on an *ad hoc* basis. The internal audit function is also discussed with the external auditors during the year end and half year reporting periods.

The Group's financial support function is responsible for intermittently testing the control environment. Management at various organisational levels are responsible for ensuring that the integrity of the control environment remains of a high level and to highlight any possible shortcomings. The Board considers the internal controls and procedures in place to be appropriate for the size, complexity and risk profile of the Group.

By order of the Board



**Jaco Prinsloo**  
Chief Executive Officer

7 September 2022